A Study of Employee Participation, Employee Voice and Industrial Relations Climate in an Australian Manufacturing Organisation

by

Alan McWilliams

Bachelor of Arts (University of Tasmania), Graduate Certificate in Business Administration (Swinburne University), Master of Industrial and Employee Relations (Monash University).

Tasmanian School of Business and Economics

Submitted in fulfilment of the requirements for the Doctor of Philosophy

University of Tasmania October 2017

Declaration of Originality

This thesis contains no material which has been accepted for a degree or diploma by the University or any other institution, except by way of background information and duly acknowledged in the thesis, and to the best of my knowledge and belief no material previously published or written by another person except where due acknowledgement is made in the text of the thesis, nor does the thesis contain any material that infringes copyright.

Alan McWilliams 4th October 2017

Authority of Access

This thesis is not to be made available for loan or copying for two years following the date this statement was signed. Following that time, the thesis may be made available for loan and limited copying and communication in accordance with the Copyright Act 1968.

Alan McWilliams 4th October 2017

Statement of Ethical Conduct

The research associated with this thesis abides by the international and Australian codes on human and animal experimentation, the guidelines by the Australian Government's Office of the Gene Technology Regulator and the rulings of the Safety, Ethics and Institutional Biosafety Committees of the University.

Alan McWilliams 4th October 2017

Acknowledgments

My sincere thanks go to Dr Rob Hecker and Associate Professor Peter Holland who went above and beyond the role of supervisors to provide me with support, guidance and fellowship in the completion of this thesis.

My partner Grace and my family deserve my special thanks for their forbearance, unswerving support and tolerance for lost days, nights, weekends and holidays throughout my candidature.

My thanks also go to Professor Julian Teicher for his energy, advice and inspiration with my studies over many years. My thanks also go to Professor Melanie Bryant for her support with the final stages of this thesis.

Table of Contents

Chapter 1 Aims and Method of Study

1.1 Chapter aims

The aims of this chapter are to provide a rationale for this research, an introduction to the research and evolution of Employee Voice and the subsequent case study analysis. This chapter will also present an outline of the organisation and structure of this thesis.

This thesis aims to explore the development of voice in the workplace and how employee voice has been used in the case study organisation as it moves towards closedown and to determine what mechanisms have been put in place to enable employee voice in CarCo. Measures of employee voice will be used as indicators of management attitudes towards employee participation (Bryson,1999; Benson & Brown, 2010; Pyman, Holland, Teicher and Cooper, 2010). This thesis will also then compare results at two points in time to trace any changes in the type or extent of employee voice as well as employer attitudes during this period. The study will use an in-depth case study method to analyse the use of employee voice in the gradual closedown of manufacturing at CarCo.

1.2 Rationale for the research

The research conducted for this thesis is justified on a number of grounds. Firstly, research on the nature of employee-employer relations and employee voice reported in the literature is mostly emanating from the United States and the UK. Pyman et al. (2010) argue that there is a paucity of empirical in-depth case study research relating to Australian workplaces. A consistent theme in reports of workplace change in

Australian industry and industrial relations since the 1980s and though the 1990s was a move towards a workplace level focus to increase productivity (Morehead et al., 1997). The second Australian Worker Representation and Participation Survey (AWRPS) of 1,000 Australian workers (Pyman et al., 2007) shows a continued focus on workplace level issues during the subsequent decade. This focus on enhanced productivity has been interpreted as an opportunity to expand labour management cooperation and, at the workplace level, provide for greater employee participation in decision-making and thus improve the motivation of employees as well as leading to positive attitudes towards the workplace and greater levels of employee satisfaction (Kaufman & Taras, 2000; Marchington, 2005; Bryson, 2004; Holland, 2014). There are also benefits for the employer such as being able to tap into the resources of a high skilled workforce for process improvements, innovation and being able identify issues in the workplace that may cause conflict and resolve them at this level in a timely manner. Blyton and Turnbull (1998) argue that the difference in the contemporary form of participation is an intentional shift in focus away from an older model of power and control, toward a model of engaging with employees as a way to build commitment and sustainable competitive advantage. It is similarly argued by Holland et al. (2011) and Pyman et al. (2009) that trade unions have also changed their stance vis-à-vis constructive engagement with management, with evidence indicating that the presence of trade unions may be favourable to the development of human resource management processes such as team-based, participative work systems. Thus, indicating that employee involvement and participation through alternative means is not necessarily overtly anti-union.

The contribution of the case study research findings of this thesis to the broader literature is that they will:

- Inform the developing view of employee voice in Australia;
- Achieve a more detailed understanding of manager expectations of employee voice vis-à-vis employer and employee workplace relations, that will help in the development of government, organisation and union policy;
- Contribute additional case studies relating to employee voice to the body of national and international literature.
- Provide a unique observation of the role of employee voice in a major organisation as it is closing down its manufacturing plants in Australia

Secondly, this thesis provides an investigation and analysis of the contemporary adoption of employee participation and employee voice mechanisms in an Australian workplace and the attendant employer attitudes.

The thesis will ask four key questions, the details of which will be presented in chapter 2 of this thesis. The research questions are:

RQ 1. How has employee voice developed and evolved in the organisation studied?

RQ 2. Do employers and employees support the proposition that mechanisms of employee voice have had a positive effect on the organisation?

RQ 3. What mechanisms for employee voice exist in the organisations?

RQ 4. Have there been changes to the organisation's approach to employee voice?

Two propositions were identified as relevant to this research on employee voice and investigated in this thesis. These propositions are shown below:

Proposition 1

In a competitive environment an organisation will seek to harness employee knowledge and skills through the development of processes such as organisational mechanisms facilitating and supporting employee voice

Proposition 2

At the level of the enterprise, effective employee voice is dependent on strong cooperative management-union relations.

1.3 Outline of the research

The focus of this thesis is a case study of employee voice at CarCo. CarCo is the Australian division of a large multinational car maker. CarCo has major manufacturing facilities located in two states as well as having a large parts distribution centre. CarCo manufactures vehicles mainly for the domestic Australian market, as well as exporting vehicles. CarCo also exports various components for other vehicle manufacturers that are part of the parent company's global supply chain.

CarCo has a history of manufacturing in Australia that spans the 20th century and the first seventeen years of the 21st century, initially as a car builder and from the 1940s as a vehicle designer and manufacturer. In 2013 CarCo announced that it would cease vehicle manufacturing in Australia by 2016. Car making in Australia has been a bellwether of the manufacturing industry in Australia throughout the 20th century as well as in the first decade of the 21st. While the confluence of economic and political

factors that culminated in the 2013 announcement are part of the contextual background to this thesis, a more detailed analysis is beyond the scope of this thesis, notwithstanding CarCo remains a significant exemplar of employee voice in Australian manufacturing. The last phase of CarCo manufacturing is equally significant in that they present a unique opportunity to observe the operation of Employee Voice within an organisation that has a defined, medium-term closure date.

1.4 Scope of the research

The scope of this thesis is to examine employee voice at CarCo, including the final stages of production/ and manufacturing operations at the organisation. In undertaking this study, a broad array of factors required exploration and examination, including the historical, social and political forces and players through the periods of change and the impact of employee voice on the organisation over an extended period.

1.5 Limitations of the research

This thesis explores employee voice in an Australian organisation chosen on the basis of having adopted participative work practices. The company is from the automobile manufacturing sector and as such the development of employee voice may be unique to that industry.

Australian manufacturing and the automobile industry in particular, has operated in tumultuous times over the last decade. The industrial and tariff reforms of the 1980s and 1990s set the scene by exposing the manufacturing sector to increased

competition from imported goods while at the same time renovating the system of industrial awards to shift towards having an enterprise level focus. The precarious balance of survival during the early 2000s for manufacturing was predicated on achieving sustainable export sales, as the relatively small domestic market proved to be insufficient to provide the economies of scale that globalised competitors could harness. The Global Financial Crisis (GFC) of the later part of the first decade of the 2000s has proven to be a double-edged sword for Australia. The Australian domestic economy weathered the GFC relatively unscathed, and domestic demand for imported and locally manufactured goods remained stable. However, export markets for Australian manufactured goods declined at the same time that the surging Australian dollar made Australian exports expensive for international buyers. This combination of adverse conditions has culminated in the announced closure in quick succession of the last three remaining Australian automobile manufactures at the end of 2013, the final plant closures to be completed by the last quarter of 2017.

The research method, described in chapter two, has allowed the analysis of a single organisation to present a subtle and nuanced view of management decision making with regard to employee participation. This has been achieved by combining case study analysis with available secondary data from national surveys.

The field research conducted for this thesis was limited to Australia because, as Pyman, et al. (2010) have argued, there has been little empirical research conducted in Australia on the topic of employee voice. This thesis is responding to the lack of empirical research on employee voice in Australia by contributing a case study of an

Australian manufacturing organisation. Further studies in other countries to gain a direct comparison with the industry examples used and industrial relations systems discussed in the international literature would be desirable in order to compare Australian results with results from other national contexts. However, the ability to take the study to offshore organisations was not available to the researcher due to the prohibitive costs of travel to these locations.

1.6 Outline of the thesis

Chapter one has provided an outline of this thesis. Chapter two will present the literature review of employee voice, providing a discussion of types of employee voice in organisations in the context of the Australian industrial relations framework. Employee voice has been discussed from a number of perspectives, and analysis has developed around the concept of voice in a broad range of disciplines, employee voice has become a term meaning different things in different contexts and the term is used by policy writers, academics and practitioners (Poole, 1986; Strauss, 2006; Wilkinson et al., 2010). Employee voice has been explored in the Human Resource Management (HRM) literature, from an Employee and Industrial Relations (ER/IR) perspective and from an Organisation Behaviour (OB) perspective. An examination of the different perspectives of voice will be presented in Chapter 2. However, an in-depth analysis of these different aspects of voice is beyond the limits of this thesis. As the focus of this thesis is on the development of voice in Australian industry, the review of the literature presented in Chapter 2 will view the literature through the theoretical lens of Human Resource Management and Employee Relations/Industrial Relations. Chapter three will provide a detailed description of the development of Australian labour

market policies from 1901 to 2015. Chapter four will present the context of Australian manufacturing and the Australian automobile industry during the 20th century as well as the first part of the 21st century. Chapter five will outline the research design and the research methods used. For chapter five the thesis a discussion of employee voice and the research findings from the case study organisation. Chapter six will adumbrate the development of employee voice at CarCo and point to evidence showing how employee voice has endured over time. Chapter seven of the thesis presents a summative discussion of the preceding chapters and a discussion of the findings of research questions. Limitations of the research are outlined and limitations of the applicability of the research findings are also revisited in this chapter. Chapter eight discusses the implications of the research findings with regard to the development of management theory, the development of government policy and the development of organisational policy and practice.

The following chapter will present a review of the literature on employee voice and provide an overview of the historical antecedents for the development of contemporary structures and forms of voice. This overview will provide a context for the way employee voice has developed in an Australian manufacturing organisation.

Chapter 2 Employee Voice: A Review of the Literature

2.1 Chapter aims

This chapter will review the literature on employee voice and provide a brief overview of the historical antecedents for the development of contemporary structures and forms of voice. This overview will provide a context for the way employee voice has developed in an Australian manufacturing organisation and identify aspects of the literature which address the research questions and research propositions outlined in Chapter 1 and Chapter 5.

After providing an introduction to the concept of employee voice the chapter will commence with an explanation of the early development of employee voice from the seminal works of Hirschman (1970) and Freeman and Medoff (1984). This chapter will identify the development of employee voice and the differentiation between its various forms, including union and non-union collective voice, direct communication between employer and employee and hybrid voice. The chapter will also address the contextual aspects of that employee voice in terms of how it is encouraged, supported and sustained within organisations and the various mechanisms and structures that are put in place to achieve this. As foreshadowed in Chapter 1, and explained in section 2.2 of this chapter, the review of the literature presented in this thesis will be viewed through the theoretical lens of Human Resource Management and Employee Relations Management.

The chapter concludes by suggesting that while there is a significant body of work outlining the theory of employee voice, there is a paucity of in-depth research undertaken at the workplace level into the operation and effectiveness of employee voice particularly in Australian organisations.

2.2 Evolution of Employee Voice

Employee voice (EV), or simply "voice", is a term that has become widely used in the practitioner and academic literature of Human Resource Management (HRM), Employee Relations and Industrial Relations (Wilkinson et al., 2010; Strauss, 2006; Poole, 1986). The term voice refers to the idea that in the course of their daily work, employees face decisions of whether to remain silent or speak up (exercise voice) when they have complaints, issues of concern or potentially useful information and ideas for improvements in their workplace (Marchington, 2005; Bryson, 2004; Kaufman and Taras, 2000). Voice describes how employees raise concerns, express and advance issues important to them, solve problems as well as contribute to and participate in workplace decision making (Marchington, 2005; Bryson, 2004; Kaufman and Taras, 2000). Employee voice has traditionally been channelled through union recognition and representation, but this is not the sole means of communication and influence at the workplace (Marchington, 2005; Bryson, 2004; Kaufman and Taras, 2000).

In an increasingly competitive environment, management need to be able to gather relevant and timely information so that they can respond appropriately to rapidly

changing business conditions, make good decisions, and correct problems before they escalate. Central to this are employees, who can provide insight into issues associated with the effective management of the organisation. Significantly, it is management that sets the agenda for the establishment of EV, whether it is a collaborative/participative form of EV with multiple voices or a directive/unitarist form of EV with the single voice of management being pushed downwards. However, the willingness and ability of employees to communicate upward about problems, issues of concern or with ideas and suggestions for better ways of working can impact on the successful running of an organisation (Bryson, 2004; Dundon, Wilkinson, Marchington & Ackers, 2004; Mowbray, Wilkinson & Tse, 2014). Early explanations of voice presented the concept as a choice between leaving an undesirable situation (exit) and the act of trying to change the undesirable situation by speaking up to express dissatisfaction or offer an alternative way of doing things (voice) (Hirschman,1970; Freeman & Medoff, 1984). However, the idea of employee voice has become more elaborate over the recent years.

Traditionally, the term 'voice' describes two-way communication between employers and employees through a third party – trade unions (Freeman and Medoff, 1984) but was seemingly limited to articulating ideas about better ways of working, expressing grievances, addressing those grievances and possibly resolving them in a mutually beneficial way. Extending the view of Freeman and Medoff (1984), contemporary conceptions of voice go beyond simply raising concerns and participating in workplace decision making to achieve organisational goals, employee voice is now central to how employees and management communicate (Holland, Cooper & Hecker, 2016; Holland, 2014; Holland, Cooper, Pyman, & Teicher, 2012; Holland, Pyman, Teicher, & Cooper, 2011; Mowbray, Wilkinson, & Tse, 2014; Morrison, 2011; Benson & Brown, 2010; Marginson, Edwards, Edwards, Ferner, & Tregaskis, 2009).

As noted, the normally accepted view of 'voice' has been that it was articulated via union recognition and representation – a form of collective voice. However, union representation has not been the exclusive means of communication between workers and management nor has it been the only mechanism for employee influence in the workplace. As union density has fallen in recent years, analysis of voice in workplaces has often focussed on how workers and managers are able to express their concerns and discuss work tasks and organisational decision-making through effective channels other than the conduit of union representation (Holland 2014; Holland, Cooper & Hecker, 2016).

As research and analysis has developed around the concept of voice in a broad range of disciplines, "employee voice" has become a term meaning different things in different contexts depending if the term is used by policy writers, academics or practitioners (Poole, 1986; Strauss, 2006; Wilkinson et al., 2010). EV has been explored in the Human Resource Management (HRM) literature, from an Employee Relations (ER) and Industrial Relations (IR) perspective and from an Organisation Behaviour (OB) perspective. An outline of the different perspectives of voice will be presented below. However, an in-depth analysis of these different aspects of voice is beyond the limits of this thesis. As the focus is on the development of voice in the Australian automobile manufacturing industry, this thesis will view the literature through the theoretical lens of Human Resource Management and Employee Relations/Industrial Relations management.

2.2.1 Organisational Behaviour, Human Resource Management and Industrial Relations perspectives

EV arrangements can also be understood as an integral part of the development of employee involvement and participation (Morrison, 2011; Tzafrir, Harel, Baruch &

Dolan, 2004). Some definitions of EV do not differentiate overtly between collective and individual expressions of voice and tend to identify employee voice in terms of how it benefits organisational effectiveness through positive behaviours and organisational citizenship (Zhou & George, 2001; Olson-Buchanan & Boswell, 2002; Davis-Blake, Broschak & George, 2003). For example, Van Dyne and Le Pine (1998, p.109) define voice as behaviour that emphasises expressions of constructive challenge with the intention of making innovative suggestions and recommending changes to standard procedures. Their study of over 500 employees differentiated in-role from extra-role behaviour and highlighted the importance of extra-role behaviour, or the articulation of voice, in explaining employee performance (Van Dyne & Le Pine 1998).

In a similar way, Premeaux and Bedeian (2003, p.1538) in their study of why low-status employees might withhold their ideas, opinions or complaints, define voice as stating views or opinions about workplace matters, including the actions or ideas of others, suggested or needed changes, and alternative approaches or different lines of reasoning for addressing job-related issues. Detert and Burris (2007) and Tangirala and Ramanujam (2008) also define employee voice in terms of providing suggestions, feedback or questions about the way an organisation is functioning. However, these perspectives tend to focus on the benefit to the organisation of employee voice and do not carry with them any explicit aspects of mutual benefit to both the organisation and employee, or direct benefit to employees. While also noting the positive benefits to the organisation, the Human Resource Management, Employee Relations and

Industrial Relations perspectives, as outlined in the following section, explicitly address the role of EV in job satisfaction and trust.

2.2.2 The Impact of Voice at Work

Another aspect of employee voice research is the relationship between EV arrangements and key aspects of work such trust and job satisfaction. There is an established relationship between job satisfaction and employee involvement, and job satisfaction is known to be associated with employee commitment and both job and organisational performance (Detert & Burris 2007). Job satisfaction reliably predicts a range of workplace outcomes such as productivity, employee turnover and absenteeism (Holland, 2014; Holland et al., 2011; Detert &Burris, 2007). Similarly, workers who are empowered are more likely to have higher levels of job satisfaction; following the view that empowerment generates intrinsic motivational factors. These principal points of the relationship between job satisfaction and empowerment are also defining features of employee voice, involvement and participation (Holland, 2014). Research by Holland et al. (2011) on employee voice and job satisfaction in Australia found that even though the presence of union voice and direct voice in the workplace is positively associated with job satisfaction, direct voice looks to be the important voice mechanism underpinning employees' job satisfaction and the use of hybrid or multiple voice channels was not significant. Seeing union voice as the traditional approach to communications in the workplace, the declining levels of union membership in many advanced manufacturing economies points to a decline in the importance of this voice system. Union voice systems may be seen as less favoured by management, due to the conflict which is perceived to be inherent in the

relationship between unions and management, however, this system can potentially provide a defence against unconstrained managerial prerogative. Tailby et al. (2007) have argued that unions are best placed to jointly regulate the employment relationship and to deliver procedural fairness and organisational justice. However, Holland et. al. (2011) find that direct voice is the more significant factor associated with job satisfaction in Australia is therefore less in accord with this view.

The theory of reverse causation (Renaud 2002), argues that union membership has an overall negative impact in the workplace. There have been several arguments presented to explain this. The first argument is that employees with lower job satisfaction are more likely to join a union in an attempt to improve their terms and conditions (Freeman and Medoff, 1984). The second argument is that unionised jobs tend to be lower status and are less attractive, and thus workers are more disposed to look for improvements (Hammer and Avgar, 2007). A third argument is that unionised workers are more likely to be dissatisfied, because unions raise awareness of management faults and shortcomings, which results in negative evaluations of the workplace, causing poor employee relations and low satisfaction with management (Guest and Conway, 1999; Gallie et al., 1998). Bryson (2004) offers a fourth argument, suggesting that the presence of a union increases the number of dissatisfied employees in the workplace by facilitating their voice through union representation as opposed to quitting. The expression of employee voice via union representation may lead to a fraught industrial relations climate and escalating employee dissatisfaction. Similarly, Hammer and Avgar, (2007) argue that unions, by their nature, protect jobs

by restricting job classifications and maintaining demarcations therefore reducing the level of autonomy and challenge, which are key determinants of job satisfaction.

~~The significance of these findings to the research in this thesis is that the reported importance of EV to job satisfaction aligns with the proposition that at the level of the enterprise, effective employee voice is dependent on strong cooperative management-union relations.~~

The view articulated by Tailby et al. (2007) that a feature of union presence in organisations is that it provides a counterbalance to management power, and thus strengthens union voice, is not universally shared. Holland et al. (2011) suggest that a non-union, direct voice model is strongly associated with job satisfaction in Australian organisations. Renaud (2002) as well as Bryson (2004) also argue that unions have an overall negative influence in the workplace, and by extension imply that union voice would also be negative. The view that union presence has an overall negative impact is also shared by Guest and Conway, (1999) as well as Gallie et al. (1998). Whereas, Terry (1999) and Bryson (2004) have suggested that a combination of union and direct voice (hybrid voice) offers the advantage of more closely reflecting the heterogeneous nature of contemporary workplaces.

Blyton and Turnbull (1998), however, argue that the difference in the contemporary form of participation is an intentional shift in focus away from an older model of power and control, toward a model of engaging directly with employees as a way to build commitment and sustainable competitive advantage. It is similarly argued by Holland et al. (2011) and Pyman et al. (2009) that trade unions have also adopted a

revised position with regard to a constructive engagement with management, with evidence indicating that the presence of trade unions may be favourable to the development of human resource management processes such as team-based, participative work systems. Thus, indicating that employee involvement and participation through alternative means is not necessarily overtly anti-union.

The opposing views in the literature focus the research for this thesis on resolving the different arguments by examining the development of employee voice in an organisation using a case study research method. The competing views regarding the positive or negative role of unions in employee voice, and thereby in organisational effectiveness and employee satisfaction have shaped the development of the research questions for this thesis. Research questions one and three (RQ 1 and RQ 3) for this thesis, as outlined in Chapter 1, asks how employee voice developed and evolved in the organisation studied, defining the type of employee voice present in the organisation and what mechanisms are in place to support employee voice. Research question 2 (RQ 2) asks 'do employers and employees support the proposition that mechanisms of employee voice have had a positive effect on the organisation?'

The examination of employee voice and how it developed at CarCo will explicitly explore the relationship between management and unions. Research questions RQ 1 and RQ 3 seek to explore the nature of management and union relationships at CarCo and findings from those questions will add to the discussion in the international literature on this topic by providing case study examples from an Australian context.

The review of the relevant literature presented in this chapter will provide the basis for the analysis of research findings in order to determine the type of employee voice at CarCo, and the information presented in Chapter 3 relating to the labour market structure and policies will further support the analysis of research findings by providing the context and historical perspective of the antecedent conditions in Australia and at CarCo which shaped the development of employee voice. The conflicting views in the employee voice literature on the contribution the presence of union voice, direct voice or hybrid voice makes to organisational effectiveness will be explored further in this chapter. The outline provided in Chapter 3 of the antecedent contextual conditions within which employee voice emerged at CarCo will help to provide an answer to research questions RQ 1 and RQ 3.

2.3 Contemporary Perspectives of Employee Voice

Marchington and Wilkinson (2000) see employee participation, or employee involvement (EI), as existing within a range regarding the level and degree to which workers are empowered and the subject matter that is open for participation within the organisation. Marchington and Wilkinson (2000) argue that the essence of understanding employee participation is found in the intricacies of workplace relations between employees and management and the motives of each of the parties. This view of a continuum of participation, ranging from little or no participation to a high degree, helps to provide a measure of the extent to which participation is present in the case study organisation presented in this thesis, CarCo. This also influences the decision to focus on the industrial relations approach to voice for this thesis. The

"escalator of participation" (see figure 2.1 below) represents graphically the continuum of types of participation.

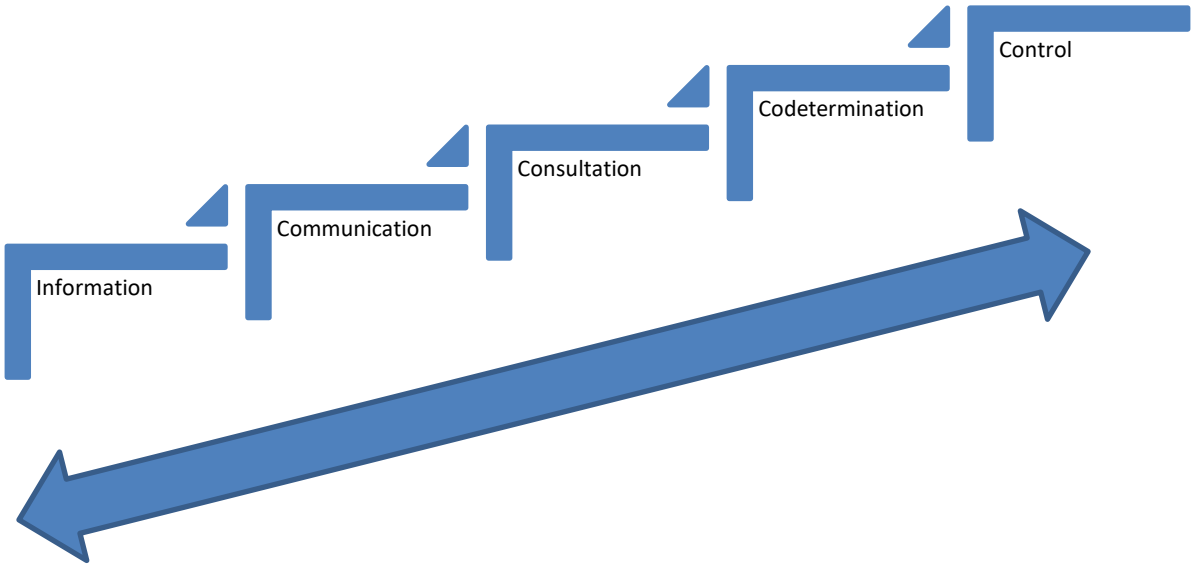

Figure 2.1 Escalator of Participation (Marchington and Wilkinson 2000 p.341)

The contemporary view of voice has shifted the understanding of voice from the simple act of raising concerns and expressing or advancing interests, to facilitating employees' commitment to and participating in workplace decision making to achieve organisational goals (Bryson, 2004; Dundon, Wilkinson, Marchington & Ackers, 2004; Mowbray, Wilkinson & Tse, 2014). Employee voice is a central aspect of management communication with employees. As noted, traditionally, voice has been expressed via union recognition and representation, and has been the key means of articulating employee voice at CarCo, but union voice is not the exclusive means of communication and influence at the workplace.

The next section of this chapter will present the early views of employee voice and will introduce the seminal works of Hirschman (1970) and focusing on the industrial relations perspective, the work of Freeman and Medoff (1984) will be examined. Following from the early conceptions of employee voice, the chapter will move to an outline of more recent discussions of employee voice and the differentiation between its various forms, including individual, union and non-union collective voice and direct communication between employer and employee in relation to the changing environmental context including labour market deregulation and trade union decline. The chapter will then address the way that employee voice is encouraged, supported and sustained within organisations and the various mechanisms and structures that are put in place to achieve this.

Employee voice is a concept that has been the focus of much recent study (Morrison, 2011; Holland, Pyman, Cooper, & Teicher, 2011; Mowbray, Wilkinson & Tse, 2014), however, it is argued that contemporary views rest on concepts developed much earlier. Kaufmann (2013) argues that antecedents to the contemporary view of employee voice can be traced to such early sources as Adam Smith's Wealth of Nations (Kaufman, 2013, p. 3). Kaufman (2013) argues that the first writers to use the term voice come from the field of economics, which, he contends, was born with the publication of Adam Smith's *Wealth of Nations* (1776/1937). Kaufman points out that in *Wealth of Nations* Smith expressly discusses the concept of employee voice. Quoting Smith, Kaufman (2013 p.3) presents the following example, "The labourer[s]… voice is little heard and less regarded [except] upon some particular occasion, when his clamour is animated". Kaufman (2013) interprets this quote as

noteworthy in that the use of the voice term to connote the employee's act of speaking-up and expressing his or her opinion goes back more than two hundred years. Kaufman (2013) also points out that another economist who uses the term voice is Karl Marx. Citing Marx, Kaufman (2013) uses a passage from Volume 1 of *Capital* (1867/1906), "He [the employer], like all other buyers, seeks to get the greatest possible benefit out of the use-value of his commodity. Suddenly the *voice* of the labourer, which has been stifled in the storm and stress of the process of production, rises …". Kaufman (2013 p.3) contends that, like Smith, Marx indicates that the worker's interests are expressed through the articulation or voicing of their grievances and interests.

From a contemporary perspective, a useful starting point for the contemporary conceptions of employee voice is the 1970s and the work of Albert Hirschman. Hirschman (1970) offers a view of voice which presents it as an alternative to quitting or exiting the organisation. In Hirschman's *Exit, Voice, and Loyalty Responses to Decline in Firms, Organizations, and States* (1970) he posits that society has two basic mechanisms for dealing with social or economic problems. The first is the market mechanism of exit-and-entry, in which people respond to the gap between what is a desired situation and what is actually experienced by exercising freedom of choice and exiting from the undesirable situation, in other words they walk away from (exit) that which they find unacceptable.

In the workplace exit behaviour is the same as employees quitting the job when they find the conditions of employment unacceptable. Conversely, entry is the arrival of

newly hired employees into the workplace. Hirschman (1970) employs the economists' argument that markets have a propensity to find an equilibrium point and that, by extension of the equilibrium argument, over time employers who offer bad conditions will lose good workers to employers who offer better conditions. If there is competition for good workers (i.e. the number of available jobs exceeds the number of available employees), it is argued that market forces will bring about an improvement in the employment conditions offered (Hirschman 1970). The converse also applies, and when the supply of available jobs is lower than the number of available workers the equilibrium point of employment conditions may move to a lower level.

However, the ability of employees to walk away from unacceptable conditions of employment does implicitly assume that work with identical or better wages is immediately available and that there is no cost of quitting in terms of lost benefits or other penalties, for example, loss of accrued leave, benefits or a longer more expensive commute (Wilkinson et al., 2010; Marchington, 2007; Freeman & Medoff 1984).

Another moderating factor for the propensity of people to exercise voice is loyalty. Hirschman (1970 p. 77) argues that loyalty will act to increase the likelihood that voice will be exercised;

> A more solid understanding of the conditions favouring coexistence of exit and voice is gained by introducing the concept of loyalty. Clearly the presence of loyalty makes exit less likely, but does it, by the same token, give more scope to voice?
> That the answer is in the positive can be made plausible by referring to the earlier discussion of voice. … two principal determinants of the readiness to resort to voice when exit is possible were shown to be:

> (1) the extent to which customer-members are willing to trade off the certainty of exit against the uncertainties of an improvement in the deteriorated product; and
> (2) the estimate customer-members have of their ability to influence the organisation.
>
> Now, the first factor is clearly related to that special attachment to an organisation known as loyalty. Thus, even with a given estimate of one's influence, the likelihood of voice increases with the degree of loyalty (Hirschman, 1970, p.77).

If exit is not practical or possible the second path that can be followed to make good a bad situation is what Hirschman termed the exercise of "voice" (Freeman & Medoff, 1984). Voice is the use of communication to influence a situation such that the gap between what is and what is not desirable is reduced or closed. Employee voice in this context is the expression of the individual or collective concerns and grievances to the employer with the aim of effecting positive change rather than walking away from a bad situation (exit). Without making explicit comment about the ready availability of alternative employment options, Freeman and Medoff (1984) observed that in the mid-1980s in industrial economies and large enterprises it is the union that provides the vehicle for collective voice and is thus the mechanism by which employees communicate with management. Freeman and Medoff (1984) associated voice with union representation and in particular with the role of unions in articulating concerns on behalf of the collective as well as providing a positive contribution to organisational effectiveness and efficiency.

> If management uses the collective bargaining process to learn about and improve the operation of the workplace and the production process, unionism can be a significant plus to enterprise efficiency. On the other hand, if management responds negatively to collective bargaining (or is prevented by unions from reacting positively) unionism can significantly harm the performance of the firm (Freeman & Medoff, 1984, p.2)

Freeman and Medoff (1984) extend the idea of voice beyond Hirschman's individual exit behaviour and place it in the space of the participation between workers (through unions) and management to resolve differences and improve organisational performance. The broad thrust of Freeman and Medoff's (1984) reasoning is that employee voice has the potential to be of mutual benefit to the employer and employees. Employee voice as articulated through union representation is of benefit to the organisation in so much as it can facilitate grievance resolution, which in turn leads to improved employee satisfaction, reduced absenteeism and reduced employee turnover (Freeman & Medoff, 1984). Employee voice articulated through union representation can also provide a means through which employees can suggest improvements to work practices in areas such as training and occupational health and safety (Freeman & Medoff, 1984).

At the core of the argument presented by Freeman and Medoff (1984) is the contention that the effects of voice practices are dependent on how management responds to them. Thus, for Freeman and Medoff (1984) voice in an organisational context is the two-way communication between employers and employees. The exercise of collective or unionised employee voice is a positive activity which, if effectively harnessed by management, can lead to improvements in organisational success. Similarly, in response to the impact of collective employee voice management will have a more focused suite of procedural rules and policy settings aimed at sharply defining the expectations and boundaries of acceptable behaviour in the workplace (Freeman & Medoff, 1984, p. 15).

Freeman and Medoff (1984) argued that unions have a positive effect on organisational performance. This is achieved by resolving grievances, which in turn leads to increased employee satisfaction and a reduction in employee turnover and absenteeism. Union voice mechanisms can also provide a mechanism for workers to suggest improvements to working practices in such aspects of the organisation such as training and occupational health and safety (Freeman and Medoff, 1984). Expressed simply, where management develops a good relationship with unions it can be to the benefit of both parties. Equally, unions can ensure that management 'does the right thing' as they raise awareness of management shortcomings and the effects these shortcomings have on workers (Guest and Conway, 1999). The views of Freeman and Medoff and others outlined here present EV as being both a mechanism whereby organisations may harness employee knowledge to improve organisational performance and that the most effective means of facilitating EV is via collective, unionised voice. From these points, research question two (RQ 2) is derived, and asks, 'Do employers and employees support the proposition that mechanisms of employee voice have had a positive effect on the organisation?'

2.4 Types of voice

This section of the chapter builds on the development of voice outlined above and presents a critique of four types of employee voice that have emerged in an environment shaped by declining trade union density, labour market deregulation and increased competition in Advance Market Economies (AMEs).

Within Freeman and Medoff's (1984) original view of collective voice from an industrial relations perspective, unions are the preeminent representative of employees and negotiate (articulate their voice) on their behalf. However, changes to workplaces in Advanced Market Economies (AMEs) and Australia in particular since the 1980s have altered the nature of voice arrangements. Marchington (2007, p.142) argues that:

> Voice is probably the area in HRM where tensions between the organisation and workers' goals and between shareholders' and stakeholders' views are the most apparent, because it connects with the question of managerial prerogatives and social legitimacy.

Employee voice is at the centre of organisations' communications strategies; therefore, it is of significant importance that for an EV system to be effective management must understand the inherent advantages and potential problems inherent within each approach. Management needs this understanding of these aspects of different types of voice in order to efficiently invest resources determining which system to adopt.

With changing workplace relationships between employees and employers, the differing structures or arrangements that have emerged to transmit employee voice can be ordered into four distinct categories of voice arrangements. These categories are direct (management), indirect (union), non-union employee representation (NER) and hybrid, where hybrid voice is characterised by the presence of both management-initiated voice arrangements and union representation (Holland et al., 2011; Bryson, Gomez, Kretschmer & Willman, 2007).

Direct voice is a straight two-way communication between the employees and management which provides an opportunity for management to develop a high commitment and consensual relationship. Direct voice is frequently achieved through such activities as employee involvement schemes, quality circles and work teams which connect workers with management to discuss workplace issues unmediated by third parties such as unions (Edwards, 2003). It has been argued that direct voice offers employees the potential to increase managerial responsiveness (Holland et al., 2011; Pyman, et al., 2010; Bryson, 2004). Holland (2014, p.141) suggests that direct voice is best suited to a contemporary workplace, similarly, Bryson (2004) argues that when management has a direct relationship with the workforce it can identify issues quickly and deal with them.

In line with the idea of employees being a source of competitive advantage, Boxall and Purcell (2016) argue that direct voice allows management to "tap into" the workforce as a source of knowledge. These arguments accord strongly with the view of Cox, Zagelmeyer and Marchington (2006) that investment in the voice system is required for the successful development of a human resource management system that focuses on building a high level of communication, commitment and engagement between the parties to ensure an ongoing fit. Holland (2014) encapsulates these points by stating that a direct voice system needs to be proactively managed and resourced by the provision of management time to develop voice channels (see section 2.5 of this chapter for examples of voice channels). Boxall and Purcell (2011) add to the objectives and implementation requirements of a direct voice system the fact that it

should be founded on the development of shared mutual interest to ensure that organisational goals are achieved.

Marchington (2005) raises the point that direct voice systems suffer from a lack of available sanctions for managerial non-compliance with decisions or for acting without consultation, and Kaufman (2003) also points out that direct voice systems do not have access to independent sources of advice or assistance. These deficiencies act to weaken the ability of direct voice systems to change the power relationships in an organisation. These issues also hold for non-union employee representation (NER) systems and research shows (Wilkinson, Dundon, Marchington & Ackers, 2004; Terry, 1999) that non-union voice mechanisms are more vulnerable to the exercise of managerial prerogative, influence and control. Employee perceptions that a relationship that is not genuine, but is instead built on rhetoric, can potentially negate the benefits of direct voice and NER systems, (Marchington, 2005). Under these conditions direct voice can potentially become a means of deflecting employees away from union membership (union voice), and ultimately disenchantment and distrust with the system will undermine its effectiveness.

Union Voice is communication between management and trade unions as the representative of the workforce as a whole. In contrast to direct voice, union voice is considered an 'independent' conduit for employee interests and is normally accepted as being democratically accountable to their members (Charlwood & Terry, 2007). Unions also have access to collective power as well as sanctions such as strikes, bans on specific activities or work-to-rule activities for non-compliance by management, making them less susceptible to managerial influence and control (Charlwood & Terry, 2007; Tailby, Richardson, Upchurch, Danford, & Stewart, 2007; Wilkinson et al., 2004). Because of this access to collective power it is argued that union voice is potentially superior, as unions are best placed to jointly regulate the employment

relationship and to deliver procedural fairness and organisational justice (Tailby et al., 2007). The view that union voice affords a more balanced and effective power relationship between employees and employers suggests that at the level of the enterprise, effective employee voice is dependent on strong cooperative management-union relations. The development of employee voice at CarCo may indicate that senior management were motivated by economic, legislative and commercial pressures to engage with trade unions so as to develop and implement participative work practices and thus, to achieve this outcome, established mechanisms to facilitate employee voice. Research question 2 (RQ 2), 'do employers and employees support the proposition that mechanisms of employee voice have had a positive effect on the organisation', will seek to gather information on this issue and test the view expressed in the literature that employee voice has been mutually beneficial to both employees and the employer.

Given that the traditional approach to communications in the workplace is union voice, the decline rates of union membership in many AMEs might suggest that the importance of this voice system is in decline. However, union voice systems provide a safeguard against unrestrained managerial prerogative and underscore the view that it is important that management has checks and balances in place to ensure they don't damage the employment relationship (Holland, 2014). Keeping management 'honest' is the role that unions play by acting as a check and balance to management power, as such unions are best placed to moderate the employment relationship and to deliver procedural fairness and organisational justice (Tailby, Richardson, Upchurch, Danford, & Stewart 2007). Freeman and Medoff (1984) also argued that unions have

a positive effect on organisational performance because they facilitate grievance resolution, which may lead to employee satisfaction and an associated reduction in labour turnover and absenteeism. Similarly, Kim and Kim's (2004) comparison of union and non-union representation found that unionists were more satisfied than non-members, particularly in regard to distributive justice and employee advocacy issues. Union voice mechanisms can also provide a means for workers to suggest improvements to working practices in areas such as training and occupational health and safety (Freeman & Medoff, 1984). The exercise of collective or unionised employee voice is a positive activity which, if effectively harnessed by management, can lead to improvements in organisational success.

Following the view of Freeman and Medoff (1984), that union voice reduces turnover and absenteeism by encouraging dissatisfied employees to express their concerns through collective voice, unions must sustain this role as a means of retaining membership. The logic being that dissatisfaction with work conditions alone is not sufficient cause to persuade employees to join unions.

There is also the view that unions are a hindrance to organisational performance and their presence is a negative influence on the relationship between management and workers. The theory of reverse causation (Renaud, 2002), posits that union membership has an overall negative impact in the workplace. There are several arguments that give support to the reverse causation theory. Firstly, and following Hirschman’s basic exit-voice propositions, Freeman and Medoff (1984) contend that employees who are dissatisfied with their job will seek to improve their terms and

conditions of employment by joining a union. Secondly, and using the argument which suggest that social problems are said to rise in direct proportion to the number of social workers, workers in a unionised workplace are more likely to be dissatisfied, because their awareness of management's failings has been raised by the union; this negatively impacts upon employee relations and overall satisfaction with management (Guest & Conway, 1999; Gallie, White, Cheng & Tomlinson, 1998). Thirdly, and in a similar vein, Bryson (2004) suggests that unions increase the number of employees who are dissatisfied in the workplace by encouraging them to express their dissatisfaction through the representative voice of the union as opposed to leaving. Arguments are also put forward suggesting that unionised jobs are inherently less attractive, thus employees enter into such jobs expecting to look for improvements, and that unions, by protecting jobs through the mechanisms of restricted classifications and rigid demarcation, will act to reduce job satisfaction (Hammer & Avgar, 2007).

Non-union employee representation (NER) schemes can take a variety of different forms and are for the most part established by the employer and/or the state; they can be at a variety of levels within an organisation (Tailby et al., 2007). The principle features of NER schemes are that management consult and negotiate with a group of employees who represent other employees in dealing with management over issues of mutual concern. Management usually set the agenda for NER schemes around employment-related issues (Tailby et al., 2007). NER schemes are expected by employees to provide a platform for employee voice and to influence management decision-making. NER schemes provide management with the opportunity to develop

a consultative and cooperative process with employees and gauge the 'climate' of the work force on issues that may be contentious or cause conflict between management and employees (Taras & Kaufman, 2006).

Hybrid voice is where both direct voice and union voice are present within an organisation simultaneously and potentially act to complement each other (see Boxall & Purcell, 2011; Bryson, Gomez & Willman, 2004). Such complementarity brings with it the opportunity for developing sophisticated human resource management strategies that focus on the contribution of employees and a management seeing unions as a complementary communication channel and partner, providing one element of a 'bundle' of voice mechanisms for the effective management of employee relations (Holland et al., 2011; Bryson, 2004; Guest, 1995; Storey, 1992).

Bryson (2004) argues that a hybrid system of multiple voice mechanisms better reflects the composition and diverse needs of the contemporary workforce, based on the view that multiple channels of communication are better able to give rise to more effective employee communication, involvement and participation across a broad spectrum of workplace issues. Thus, suggests Bryson (2004), increasing the quality of relations between management and employees. Budd (2004) shows that non-union representative and direct voice measures can coexist with union voice, furthermore, this coexistence is demonstrated in practice through the operation of works council structures in Europe (Terry, 1999).

In support of hybrid voice system, it can be seen that the development of participative problem-solving practices, high involvement work system (HIWS) and self-managing teams, illustrates that management is increasingly prepared to adopt complex and complementary voice systems as part of initiatives intended to achieve sustained competitive advantage (Boxall et al., 2007; Kersley et al., 2006; Guest et al., 2003). Bryson (2004) also suggests that trade union effectiveness may increase under hybrid arrangements through the provision of additional information and influence.

Boxall and Purcell (2016) contend that the use of hybrid voice arrangements means that it is incumbent upon management to invest time and money in employee communication strategies while at the same time engaging with union-based collective consultation and bargaining, all driven by the promise of mutual gains (see also Holland, Cooper & Hecker, 2016). More significant than the investment of time and money, according to Bryson (2004), is that the adoption of hybrid voice systems also means that management must embrace a new way of working, accept dual authority and be prepared to share power with trade unions. Management must also accept the trust that comes with a hybrid voice arrangement (Bryson, 2004). Pyman et al. (2013) argue that this may be easier said than done.

The form that employee voice takes within an organisation, and the way voice is articulated, be that direct voice, union voice or a hybrid form, will influence and be influenced by the attitudes and values of management. Tracing the type of mechanisms that support or hinder employee voice is a critical part of the research for this thesis. This gives rise to research question three (RQ 3), ‘what mechanisms for

employee voice exist in the organisation'. By identifying the type of employee voice that developed at CarCo and the mechanisms which were established to facilitate and support employee voice, a clearer view may be formed as to the effectiveness and impact of employee voice at CarCo. This will also provide an indication as to the extent to which management at CarCo were prepared to include unions in decision-making processes and by extension, how much power sharing were management prepared to permit. The examination of non-union, direct voice mechanisms in the literature has taken place in the context of industrial relations systems which allow for non-union workplace options. However, as will be examined in this chapter and in Chapter 3, for most of the history of CarCo the Australian industrial relations system has been premised on an explicit recognition of union legitimacy and a prohibition on actively seeking union exclusion from the workplace. As opportunities arose in the Australian industrial relations legislation to by-pass unions in favour of direct negotiations and therefore direct voice mechanisms, management and CarCo could have pursued them. Research question four (RQ 4) seeks to examine this aspect of the development of employee voice at CarCo by asking 'have there been changes to the organisation's approach to employee voice'.

Management at all levels of the organisation may find it difficult to accept that in order to develop and maintain a hybrid voice system they must share power (Pyman et al., 2013). Sounding a warning against poor integration and short termism, Tailby et al. (2007), argue that there is likely to be an adverse impact on the employee relationship if different employee voice arrangements act as a replacement or conflict or compete with each other. What is critical in determining the form and operation of

hybrid voice arrangements and the overall relationship between management, employees and unions is management's responses, cultural values, ability and resource allocation.

Given the range of ways which employee voice can operate it is important for management to identify the appropriate voice system for the organisation. As the literature presented here indicates, HRM systems geared towards increased employee involvement can increase commitment and the potential for organisations to achieve sustainable competitive advantage (Boxall and Purcell, 2011). Employee voice is one of the key aspects of HR and arguably the more integrated it is with other aspects of people management policy the more effective it is likely to be. The following section of this chapter illustrates several key underlying structural issues that need to be considered by management in terms of developing an appropriate environment for effective voice systems. The importance of these factors is that they are within the control of management to develop and maintain as the employee voice system evolves alongside the organisation's strategic direction.

2.5 Organisational structures and employee voice

Across advanced manufacturing economies (AMEs) it is acknowledged that union voice was the dominant voice mechanism for workers post World War 2 until the mid-1980s. However, Bryson (2004) argues that since the 1980s there has been a decline in voice arrangements where unions form the single channel of communication (union-only voice) and to a lesser extent a decline in voice involving union and non-union channels in combination. Bryson (2004) suggests that the

changes were offset by an increase in voice arrangements that do not involve representative voice (either with or without unions). For Bryson (2004) the rise in non-union voice resulted from a shift toward direct voice, that is to say, in an increase in forms of voice involving direct two-way communication between workers and management. For example, regular meetings between senior management and the workforce, briefing groups, and problem-solving groups (Bryson, 2000).

Bryson (2004) posits that there are theoretical arguments that support the view that managers respond differently to direct voice than to union voice. Bryson (2004), implicitly identifying a limitation to their view, points out that Freeman and Medoff (1984) present the argument that for employee voice to be effective in influencing managerial behaviour toward employees, it must be union voice. However, Bryson (2004) states that in contrast to Freeman and Medoff's view, human resources management (HRM) theory and practice presents a framework within which direct voice has become increasingly common because it delivers positive outcomes for management and employees. Bryson (2004) offers the opinion that while these two positions of union or non-union voice are useful starting points; it would be naive to assume that all union voice is superior to non-union voice or vice versa because both types of voice encompass a diverse set of practices.

Thus, Bryson (2004) forwards a more nuanced view where voice is presented as being a collective expression of employees' opinions and ideas, arguing that there are three types of employee voice: union, non-union representative and direct voice. Union voice is present when the organisation has at least one of the following: trade union(s)

recognised by the employer for pay bargaining, an on-site union representative, or a joint consultative committee with one or more representatives chosen through union channels. Non-union representative voice is present where there is a non-union employee representative or a joint consultative committee within the organisation where none of the representatives are chosen through union channels. Direct voice is present when there are regular meetings between management and the whole workforce, or briefing groups, or problem-solving groups.

Bryson (2004) holds the view that the three types of employee voice have common features. Firstly, they allow two-way communication between management and employees, giving employees the opportunity to voice their wishes and concerns. Secondly, where communication is only intermittent, the opportunity for voice must occur regularly. It follows then, according to Bryson (2004), that briefing groups are included as examples of employee voice only if they occur at least once a month and joint consultative committees are included only where they meet at least once per quarter. Bryson contends that there are multiple possible combinations of the types of employee voice, voice can be present in organisations in the form of: Union only, Direct only, Non-union representative and No voice.

The forms of voice outlined above can be seen as spanning a continuum from unitarist (direct only) to pluralist (union only). These forms can also be present in organisations in combination, and the combinations that Bryson (2004) suggests may exist are presented in Table 2.1.

Pluralist ←		Hybrid	Unitarist →	
Union Only		Union + direct + non-union representative		Direct Only
		Union + Direct	Non-Union Representation Only	
	Union + non-union representative		Direct + Non-Union Representation	

Table 2.1 The Combinations of form of employee voice (Bryson 2004)

While having been first published over a decade ago, Bryson's (2004) work remains significant in that the study set a framework suggesting that forms of employee voice have a different effect depending on if they are used individually or in combination. For Bryson (2004), the most effective voice mechanisms were a combination of individual direct and non-union representative participation, suggesting that the context for voice methods and the nature of the workplace affects employee voice effectiveness (Cox, Zagelmeyer & Marchington, 2006). Employee voice arrangements also represent governance mechanisms for the development and monitoring of employment contracts and exist where institutions or processes are present to generate

two-way communication between managers and employees (Pyman, Holland, Teicher & Cooper, 2007 p.465). Holland, Pyman, Cooper and Teicher (2011) argue that employee voice in AMEs has changed significantly, with a persistent decline in representative, participatory structures via trade unions and an increase in alternative representative and participatory arrangements, including non-union employee representation and direct two-way communication (direct voice).

The way in which employee voice arrangements and managerial attitudes to unions shape industrial relations climate within organisations in the Australian context is an area of specific interest for the research reported in this thesis. Australia has seen continuing government and employer efforts to displace unions in favour of direct voice arrangements, and government and employer attitudes to unions have been regarded as hostile (Pyman, Holland, Teicher & Cooper, 2007, p.465).

However, research on the impact of employee voice on the industrial relations climate has been limited (see Holland et al., 2012; Pyman et al., 2006). Bryson et al. (2007) note that voice regimes represent mechanisms for the governance of employment communication, and the decisions by employers to take up various voice types are driven in the main by managerial considerations. How employers interact with employee voice, including their approach to unions and other forms of collective employee representation, is deeply linked to the organisational environment (Holland et al., 2012). This puts industrial relations climate at the forefront of employers' decisions regarding how employee voice is engaged with in the organisation. For

example, Holland et al. (2011) argue that a cooperative climate and collaboration can only result when management constructively engages with employees and/or unions.

However, Holland, Cooper, Pyman, and Teicher (2012) have also found a positive relationship between direct voice and the level of trust in management, and their finding is reflective of the basic components of a high-trust relationship. Furthermore, Holland et al. (2012) found that regular meetings between senior management and staff were most strongly associated with trust in management; the next strongest association was with semi-autonomous workgroups. Holland et al. (2012) found that employee involvement programmes were not an independent predictor of trust in management and they argue that their research indicates that employers and employees can potentially gain benefits from investing in multiple channels of direct voice.

A critical factor in the ability of employee voice to enhance organisational effectiveness is developing and maintaining an employment relationship built on trust. Thus, the actions, attitudes and behaviours of management are critical in workplace governance, as well as in the employees' experiences of the workplace and the effectiveness of voice mechanisms. Employees can reasonably be expected to be continually assessing a variety of organisational management behaviour and ascribing an interpretation of intent to those behaviours. The impact of cooperative union-management relations in Europe and the UK (for example Bryson, 2001) has shown that positive cooperative relations based on a (genuine) partnership between employees and employers can improve organisational outcomes and the working lives

of employees (Guest, 1997). Positive union - management relations have also been linked to enhanced organisational commitment, where they are supported by consultation, information sharing (Holland et al., 2012).

Research questions one, two, three and four (RQ 1, RQ 2, RQ 3 and RQ 4) outlined in Chapter 1 of this thesis, are designed to examine this significant aspect of the implementation, evolution and operation of employee voice in an Australian manufacturing organisation. By testing the views expressed in the literature in the context of an Australian manufacturing organisation, this thesis will seek to resolve the opposing views articulated in the literature and by so doing will be contributing to the international literature by providing case study examples of the implementation, evolution and operation of employee voice.

The importance of regular face-to-face meetings between senior management and staff may reflect a wider change in the Australian economy. In particular, increased competition with the deregulation of the economy and persistent skill shortages may have increased management's focus on building relationships with the workforce in order to assist retention. This strategy may be part of an increasing focus on 'talent management' as workers become increasingly aware of their value and mobility in the Australian labour market. Holland et al. (2012) suggest that direct voice may also result in management being more responsive to the diverse nature of a contemporary workforce, thus generating higher levels of trust and commitment, as employees perceive that their contribution is valued.

Holland et al. (2012) also point out that perceived managerial opposition to unions in the workplace was negatively related to trust. The importance of perceived opposition lies in the fact that it stems from managerial behaviour and signals intent, a message and values to the workforce. Consistent with the findings of Bryson et al. (2007), the work of Holland et al. (2012) suggests that a perceived overemphasis on managerial prerogative in decision making at the expense of other stakeholders, including employees, results in lower trust, and hence, less effective participation.

Holland et al. (2012) note that, like the UK, Australia has an employment relations system that is based upon an adversarial relationship between management and unions. Holland et al. (2012) question the capacity of Australian managers to develop sophisticated HR strategies emphasising both the 'role and contribution of employees' and the role of unions as a strategic partner in organisational decisions. Furthermore, unions may exhibit a resistance to enter into constructive relations with management. Consequently, Holland et al. (2012) suggest that Australian managers may continue keeping unions at 'arm's length' (in the form of a traditional adversarial relationship) rather than realising the potential of working with unions to increase control over desired outcomes such as productivity.

In addressing the research questions of this thesis, the relative prevalence of types of employee voice in organisations, be it union voice, non-union voice or hybrid voice, will inform the analysis of the nature of employee voice in the organisation studied for this thesis. The literature presented in this section of the chapter points to the potential for systems of employee voice to have a positive effect on organisational

performance and employee satisfaction. This will be examined in this thesis by the research questions RQ 1, RQ 2, RQ 3 and RQ 4 which seek to gather information to address the significant issues raised in the literature presented in this chapter and to resolve the opposing views articulated in the literature through the examination of a case study example. ~~The CarCo case study shows that employee voice has developed in an environment of formal union recognition and where a relationship of mutual respect and some trust has emerged overtime, contrary to the views of Holland et al. (2012).~~

2.6 Framing employee voice

Dundon, Wilkinson, Marchington and Ackers (2004) present an analytical framework for examining the different 'meanings, purposes and practices' of employee voice. Using data collected from organisations in the UK Dundon et al. (2004) report that managers define voice in terms of the perceived contribution to efficiency of the organisation and tended not to emphasise notions of rights. Dundon et al. (2004) argue that employee voice is best understood as a complex and uneven set of meanings and purposes with a dialectic shaped by external regulation, on the one hand, and internal management choice, on the other. The evidence presented by Dundon et al. (2004) suggests that the degree to which voice practices are embedded in an organisation is much more important than reporting the extent of any particular individual or collective schemes for employee voice (Cox, Zagelmeyer & Marchington, 2006).

Dundon, Wilkinson, Marchington and Ackers (2004) present their definition of employee voice in both collective and individual terms. For Dundon et al. (2004) voice can be the expression of individual dissatisfaction used in order to rectify a problem and can be such things as a compliant to a line manager or the use of grievance procedures. Voice can also be an expression of collective organisation, intended to act as a countervailing force to that of management. In this mode, employee voice can be seen in such things as collective bargaining and industrial action (e.g. strikes and bans).

However, Dundon et al. (2004) also posit collective voice as a non-adversarial process of achieving mutually beneficial outcomes for employees and employers. Contributions to management decision-making to improve quality and productivity via such things as quality circles, problem solving groups, self-managed teams and suggestion schemes are examples of expressions of employee voice which are mutually beneficial to both employees and employers.

Extending the idea of mutuality, Dundon et al. (2004) argue that partnership agreements, joint consultative committees and works councils are examples of mechanisms of employee voice which act to achieve long term viability for the organisation and its employees. This is similar to the proposition advanced by Marchington and Wilkinson (2000) in their discussion of the degree, level and range of employee participation (Cox, Zagelmeyer & Marchington, 2006).

Dundon et al. (2004) organise the meaning and articulation of voice into four types: articulation of individual dissatisfaction, expression of collective organisation, contribution to management decision making and demonstration of mutuality and cooperative relations. These can be then understood in terms of; purpose and articulation of voice, mechanisms and practices for voice, and range of outcomes.

Firstly, and following from the ideas of Hirschman (1970), voice is an articulation of individual dissatisfaction or concern that aims to address a specific problem or issue with management. In this way voice can find expression through such things as grievance procedures. Secondly, following the ideas of Freeman and Medoff, voice can take the form of collective organisation, where it provides a countervailing source of power to management. Unionisation and collective bargaining are pluralist conceptualisations of collective worker voice (Vaughan, 1986; Holland et al., 2011). The framework also includes the role of voice as a contribution to management decision-making. Table 2.2, adapted from Dundon et al. (2004), shows how the different types of voice was observed in the organisations studied for their research.

Voice as:	**Purpose and articulation of voice**	**Mechanisms and practices for voice**	**Range of outcomes**
Articulation of individual dissatisfaction	To rectify a problem with management or prevent deterioration in	Complaint to line manager Grievance procedure	Exit – loyalty

	relations	Speak-up programme	
Expression of collective organisation	To provide a countervailing source of power to management	Union recognition Collective bargaining Industrial action	Partnership – de-recognition
Contribution to management decision-making	To seek improvements in work organisation, quality and productivity	Upward problem-solving groups Quality circles Suggestion schemes Attitude surveys Self-managed teams	Identity and commitment – disillusionment and apathy Improved performance
Demonstration of mutuality and co-operative relations	To achieve long-term viability for the organisation and its employees	Partnership agreements Joint consultative committees Works councils	Significant influence over management – marginalization and sweetheart deals

Table 2.2 Types and purpose of EV (Dundon, Wilkinson, Marchington & Ackers, 2004 p.1152)

2.7 Voice and influence in the workplace

Voice can be nurtured or stifled by the type of industry conditions, national policy and organisational policy. While it can be argued that the definitions of employee voice provided by the ER/IR/HRM and organisation behaviour disciplines are not as dissimilar as Morrison (2011) might suggest, it can be argued that there are a number of differences in the way employee voice has been studied across the disciplines.

Marchington (2007) focuses his discussion of employee voice on direct voice and presents a framework to examine the difference factors shaping direct voice, which include the motive, content, mechanisms and channels, targets, and management of voice. While these factors are often studied in isolation, Marchington (2007) suggests

that each is interrelated, and each has a bearing on the employee's choices as to how they exercise influence at work.

Marchington (2007) states that expressing employee voice through task-based participation is an example of workers having a direct say in how their work is organised. Thus, it is an integral part of the job and it is a part of everyday working life, rather than being an additional or external element of the job as is the case for off-line teams. It can occur as a horizontal aspect of the job and as such encompasses the number and variety of tasks which workers perform at the same skill level in an organisation, and it can also occur as a vertical aspect of the job where workers are trained to undertake tasks at a higher skill level or they may be given some managerial responsibilities, and may involve some aspects of the planning and design of work as well as its execution (Cox, Zagelmeyer & Marchington, 2006). With reference to the work of Dundon, Wilkinson, Marchington and Ackers (2004) presented above, Marchington (2007) outlines a three-part framework for analysing direct voice; the three elements are task-based participation, upward problem-solving, and complaints about fair treatment.

Management plays a significant role in shaping and encouraging employee voice channels, as is evidenced by empirical research examining the rationale for employers' choices of voice regimes. The decision by management to adopt employee voice systems is dependent upon the perceived benefit to the organisation (Bryson, Gomez, Kretschmer, & Willman, 2007). Marchington (2007) suggests that management is interested in the form of task-based participation form of voice because of its potential

to improve levels of quality, productivity, and customer service. Citing Appelbaum et al. (2000) Marchington (2007) points out that by utilising a high-commitment model, the aspiration of management is that these forms of work organisation will add value in excess of more traditional methods where workers simply responded to management directions.

As well as the perceived benefit to the organisation, external factors will influence the workplace process and systems. Amongst the external factors are such things as: the national employment relations context, organisational size and industrial sector as well as national systems of labour market regulation (Marginson et al., 2009; Brewster et al., 2007; Hyman, 2004; Kaufman, 2004). Thus, it is not unexpected that the Australian system of labour market regulation, characterised by a historical and enduring de jure legitimacy of the role of trade unions in representing employees' interests has influenced the shape and nature of employee voice process and systems in Australian workplaces.

Marginson et al. (2009) suggest that external factors constrain and facilitate voice practices and their work illustrates the importance of management style, attitudes to the workplace and sectoral context in determining the nature and characteristics of employee voice arrangements. The table below indicates there are several situations, issues and factors advancing or obstructing voice arrangements. It is the role of management to evaluate and develop the voice framework best suited for the organisation. Marchington (2007), focusing his discussion of employee voice on direct voice, presents a framework to examine the difference factors shaping direct

voice, which include the motive, content, mechanisms and channels, targets, and management of voice. While these factors are often studied in isolation, Marchington (2007) suggests that each is interrelated, and each has a bearing on the employee's choices as to how they exercise influence at work.

This focus on the intricacies of workplace relations and the motives of all parties involved in order to understand the factors that may be promoting, or impeding voice is a significant motivation for undertaking the research at the workplace level described in this thesis. However, discussion in the literature of the nature of union/management relations, employee voice and industrial relations climate is mostly emanating from the United States and the UK (see Barry & Wilkinson, 2015; Beugre, 2010; Boxall & Macky, 2009; Gollan & Wilkinson, 2005; Lawler, 2005; Oxenbridge & Brown, 2004; Boxall & Purcell, 2003; Deery, 2002; Bryson, 2001; Deery et al., 1999). The literature relating to Australian conditions is largely based on data collected from broad employee survey such as the 2007 Australian Worker Representation and Participation Survey (AWRPS) (Pyman, Holland, Teicher & Cooper 2010). According to Pyman et al. (2010) there is a paucity of empirical in-depth case study research relating to Australian workplaces. Therefore, an in-depth case study approach focussing on an Australian manufacturing organisation was adopted for this study. This issue is explored more extensively in Chapter 5.

Factors Shaping Voice	Voice Culture	
	Promoting voice	***Impeding Voice***
Policy Framework and Financial System	• Coordinated market economies • Legislation supporting workers' rights and voice • Stakeholder perspective predominant	• Liberal market economies • Voluntarist approach to workers and voice • Shareholders perspective predominant
Product market	• Oligopolistic and stable product markets • Long-term partnership between organisations	• Highly competitive and unstable product markets • Market driven by contracting culture/spot markets
Technology, skills and staffing levels	• Capital-intensive systems • High staff to customer ratios	• Labour-intensive systems • Low staff to customer ratios
Labour markets and industrial relations	• High skill levels/workers hard to replace • Strong cooperative management-union relations	• Low skill levels/workers easy to replace • Hostile management-union relations or non-union organisation
Supervisory skills and management style	• Employer support for high-commitment HRM • Supervisors trained in people management skills	• Employer not interested in high-commitment HRM • Supervisors not trained in people management skills
Workers interests	• High levels of commitment from workers • Anticipation of long-term careers in organisation	• High levels of apathy from workers • Fragmented work, little expectation of long-term career in organisation

Table 2.3 Factors shaping employee voice (Marchington, 2007, p.243)

Pyman et al. (2010) argue that even though employee voice is identified as an important factor in understanding the dynamics of the relationships that exist between employees, unions and management, there has been little empirical research conducted in Australia.

Pyman et al. (2010) suggest that this lack of attention to industrial relations climate in Australia is surprising, in light of two decades of legislative changes that has dismantled Australia's highly centralised and regulated industrial relations system based upon assumptions of the collective representation of employees. The numerous theoretical discussions surrounding workplace participation have been evolving over the past decades; this has also taken place in the context of changes to the global economy over the same time period (Holland, 2014, p.135). With these economic changes there have also been various perspectives on why approaches to employee participation have waxed and waned. One view holds that management interest in employee participation is linked to the relative power, strength and influence of management and unions within the workplace. As union power increases, management will seek out ways to blunt or negate union influence. It also follows that if union power, strength and influence are perceived to be weakening, management will lose interest in employee participation arrangements (Ramsay, 1977). Viewing these fluctuations of interest in employee voice as cycles of control, Ramsay, (1977) argues that management interest in employee participation is part of a management unitarist strategy to maintain a hold on control when the legitimacy of their control is under threat. Ramsay, (1977) suggests that management will only actively engage with employee participation when their control of the organisation is perceived to be weakening, and even then, their engagement is superficial and temporary rather than deep and enduring.

Ramsey (1977) argues that employee participation is an organisational phenomenon which occurs in cycles or waves. The cycles coincide with periods when managerial authority is under challenge. Ramsay's cycles of control argument focusses on the idea of employee participation being evaluated in terms of the degree to which power is shared within and organisation and for how long power sharing endures (1977). Ramsay presents four predicted patterns of employee participation outcomes, or trajectories of how participation will unfold within an organisation; "success", "triviality", "instability" and "change of committee status" (1977, p.481-482). The success pattern is based on the initial premise for employee participation projects being a "common interest" between management and employees. The common interest may be defined in terms of an external challenge, such as economic downturn, changing technology or increasing competition, or in terms of shared "self-interest" in the continued success of the organisation. However, over time the project ultimately ends up legitimising and reinforcing management authority (Ramsay, 1977). The triviality pattern follows a path where initially high levels of enthusiasm for an employee participation project, by both management and employees, diminishes over time resulting in the project being abandoned or simply fading away. The once significant project of employee participation declines to level where it relegated to dealing with the trivial matters of "tea, towels and toilets" (Ramsay, 1977, p.482). The instability pattern is described by Ramsay (1977) as starting with a management attempt to refuse the de facto recognition of unions and bargaining over workplace pay and conditions. The unitarist position of management leads to the introduction of a common-interests based participation project when management is faced with the need to find a mechanism to resolve disputes. Ramsay argues that the consequences of an employee participation project founded on such an overtly unitarist premise is ultimately instability and escalating conflict (1977, p.482).

Ramsay (1977) makes it clear that he views all management/employee interactions through the lens of the incompatibility of interests and inevitably repressive aspects of the exercise of managerial power inherent in the capitalist system (p.496). Thus, Ramsay interprets the waves of employee participation that he identifies as having risen, and fallen, between the late 19th and mid to late 20th centuries in terms of the inevitability of incompatible and conflicted interests, and the ebbs and flows of managerial power.

Contrary to the cycles of control thesis, some writers argue (e.g., Ackers, Marchington, Wilkinson and Goodman, 1993; Marchington, 1992) and research evidence (Boxall & Purcell, 2011; Millward et al., 2000) points to the fact that from the 1980s, trade union power declined around the world, yet interest in participation increased. Ackers et. al. (1993) argue that Ramsay's cycles of control hypothesis does not adequately explain the resurgence of employee participation which was evident during the 1980s and 1990s. Pointing specifically at the phenomena of Thatcherism in the UK, Ackers et. al. (1993) suggest that the combination of weakened trade unions, aggressively anti collectivist industrial relations legislation and tough economic times should have seen a sharp decline in, or an absence of employee participation schemes. However, Ackers et. al. (1993) point to a "blossoming" of employee participation schemes during Thatcherism, albeit that the schemes where in "quite novel forms". The theory of employee involvement that developed from this contrary view was based upon "waves of intent" (Ackers et. al., 1993). Wave theory argues that management interest in participation is not initiated by a set of common circumstances. Waves of participation take various forms and have varying impact and longevity (Marchington, 1994).

Contrary to Ramsay's (1977) cycles of control thesis, it has been argued that while union influence and power declined during the 1980s, interest in employee participation increased (Marchington et. al., 1992; Marchington, 1992; Boxall & Purcell, 2011; Millwall et. al., 2000). The theory that developed from this contrary view was based upon waves of intent. Wave theory argues that management interest in participation is not initiated by a set of common circumstances. Waves of participation take various forms and have varying impact and longevity (Marchington, 1994). According to Marchington (2005), the incentive for increased interest in participation from the 1980s was founded on increasing global competitiveness, which required that management seek continuous improvements in products, services and work organisation. Adding to the focus on global competitiveness for advanced economies is the shift from the traditional manufacturing economy to a knowledge-based and service-based economy. This shift has increased the focus on the key resource of human capital, and ways to engage these human resources (Boxall & Purcell, 2011).

The focus on utilising human capital as a competitive advantage has led to the development of a variety of approaches by management pursuing ways to harness the creativity and productivity of employees through cooperative practices. Amongst these cooperative practices are such things as information-sharing, consultation processes, financial participation, participative decision-making, new work methods and more flexible patterns of work. The focus on the enterprise, the micro level, helps to explain the diversity and longevity of various forms of participation within organisations.

As a way of reconciling the cycles of control and wave theories, Poole, Lansbury and Wailes (2000) advanced the 'favourable conjunctures' model. The favourable conjunctures model suggests that when a combination of favourable conditions arises at both the macro and micro levels, increased participation will occur. Poole et al. (2000) isolated four major factors that explain the level of participation:

- macro conditions (economic conditions and culture);
- the strategic choices of actors (at the level of the firm);
- the power of actors (management and trade unions); and,
- organisational structures and processes (linked to increased organisational de-layering and need for devolved expertise and decision-making within the organisation).

Increased competition and deregulation have led to a sharper focus on the connection between organisational performance and internal resources and relationships (Kepes & Delery, 2007; Lansbury & Wailes, 2003). It has also been noted that since the mid-1980s there has been an increasing trend towards workplace restructuring through increased flexibility. Similarly, the breakdown of hierarchies through progressive de-layering of the workplace has devolved decision-making throughout the organisation (Blyton & Turnbull, 1998). Citing increased levels of employee education and sophistication, Blyton and Turnbull (1998) argue that specialist knowledge is increasingly located away from the apex of the organisation, thus management is required to develop more cooperative approaches to secure increased commitment from skilled and essential employees in order to build a sustainable competitive advantage. Improved cooperation in the workplace is associated with the development of human resource management strategies which emphasise direct communication and relationship building within the organisation. These strategies have a considerable impact on the organisation's sustained competitiveness (Holland, 2014; Boxall &

Purcell, 2011; Holland et al., 2011). The approach chosen to develop employee voice is critical in terms of engaging an increasingly sophisticated workforce. Blyton and Turnbull (1998) argue that the difference in modern form of participation is a conscious shift in focus away from power and control toward strategies that engage employees as a means to build both commitment and a sustainable competitive advantage.

Ramsay (1977; 1983) presents the view that cycles of control are a consequence of the balance of power between labour and management. Management is receptive to employee participation schemes in times of rising labour power, such as while experiencing a strong labour market or during sustained periods of industrial unrest. When these conditions which are favourable to organised labour abate, management interest in employee participation also declines. Participation 'is used to control employees in those circumstances where a rise in their labour market power may threaten managerial authority' (Deery et al., 2001, p342). While this explanation was consistent with the circumstances in the UK at the time Ramsay was writing, and in the earlier decades of the 20th century leading up to the 1970s, it has been argued to be less applicable in the time since (Ackers et al., 1992).

Marchington's (1992) waves thesis differs from Ramsay's (1977, 1983) cycles of control theory and provides an alternative analysis of the incidence and effectiveness of employee participation. Marchington's (1992) explanation of waves of participation focuses on micro-level rather than macro-level factors. Noting that there is paradoxical increase in employee participation during periods of declining organised labour, Marchington (1992) attributes the increase in employee participation schemes to growing global competitiveness, and consequently, an

increasing variety of demands upon managers to seek continuous improvements in work organisation. Arguing that improvements in work organisation through cooperative practices are required in order to enhance productivity and efficiency, Marchington (1992), in contrast to Ramsay (1977), recognises that multiple factors may drive the development and effectiveness of employee participation and that these factors may be external to the organisation and not always in the direct control of management. Poole et al. (2000) extend the analysis of the context of employee participation and introduce the concept of favourable conjunctures as a means of taking micro level conditions which give rise to organisational change into account when explaining the occurrence of employee participation schemes. Dundon et al. (2004) argue that employee voice is a contested process shaped by external regulatory pressures and internal managerial choice. These arguments share an emphasis on factors driving employee participation which are both internal and external to organisations.

Mowbray, Wilkinson & Tse, (2019) present the view that industrial democracy, as described in Ramsay's (1997, 1983) cycles of control, offers a significant alteration to the structure of authority in organisation by giving employees a right to share in decision-making with management and as such is a more powerful concept than employee voice. Mowbray et al. (2014) argue that the transition from considering employee participation and involvement as being separate from employee voice, came at a time of declining unionism and increasing individualised employee voice arrangements. The transition also coincided with the growing influence of HRM and a unitarist approach to the management of employees.

For this thesis, the discussion of Ramsay's (1977) cycles of control and the counter arguments from Ackers et. al. (1993) and Marchington (1993) provide a context to the explanations for the development of employee participation at CarCo via employee voice mechanisms. The form and nature of employee participation has changed over time, from the profound and politically charged impact of employee democracy to the contemporary view that employee voice is a means of providing both direct and indirect means of influencing employee and employer interests (Ramsay, 1977; Holland et al., 2009; Mowbray et al., 2014; Mowbray et al. 2019). The historical context of these views on the development of employee involvement schemes provides a means of addressing research question 1 for this thesis (RQ 1), 'how has employee voice developed and evolved in the organisation studied'. Chapters 3 and 4 of this thesis will provide details of the development of labour market policy in Australia as well as a description of the key economic conditions that were faced by the Australian automobile manufacturing industry at the end of the 1980s and beginning of the 1990s when employee involvement schemes were being introduced at CarCo. Chapter 6 of this thesis will provide details of how employee voice developed at CarCo.

It is further argued that the presence of unions may be helpful to the development of sophisticated human resource management processes such as high-performance work systems (HPWS), even if unions themselves are not directly involved. Therefore, the existence of mechanisms of employee involvement and participation through alternative means may not necessarily be evidence of overtly anti-union (Holland et al., 2011; Pyman et al., 2009). The longer-term success of the organisation, built on systems of employee participation and cooperation, can provide long term security for employees (Holland, 2014). This scenario of mutual benefit may help to explain the seemingly paradoxical set of circumstances which include on the one hand the erosion

of union power and on the other hand the rise of interest in participative work practices (Boxall & Purcell, 2011).

2.8 Conclusion

The literature reviewed in this chapter includes the view that managers must be constantly aware of the fit between employee voice arrangements and management style as a way of building successful organisations populated by committed, engaged and high-performing employees.

The research reported in this chapter which addresses a broad range of aspects associated with employee voice arrangements indicates a positive relationship where genuine and responsive voice arrangements have been developed. While this is found to result in a more effective workplace, it can arguably only be done through developing and implementing strategies and structures that allow employees to meaningfully contribute to, and participate in, various aspects of workplace decision-making (Holland, 2014).

For example, Blyton and Turnbull (1998) argue that specialist knowledge is increasingly located away from the apex of the organisation, thus more cooperative approaches are required to secure increased commitment from skilled and essential employees in order to build a sustainable competitive advantage. Furthermore, Blyton and Turnbull (1998) argue that modern forms of participation are a conscious shift away from power and control toward strategies that engage employees and build commitment and a sustainable competitive advantage. The presence of unions supports the development of sophisticated human resource management processes such as high-performance work systems (HPWS), even if unions themselves are not

directly involved. In line with Research Proposition two, research conducted in the early 2000s (Kepes & Delery, 2007; Lansbury & Wailes, 2003) indicates that increased competition and deregulation led to a focus on the connection between organisational performance and internal resources and relationships. It is also argued that the development of human resource management strategies which emphasise direct communication and relationship building within the organisation have a major impact on the organisation's sustained competitiveness (Holland, 2014; Boxall & Purcell, 2011; Holland et al., 2011).

The historical circumstances of Australian labour market regulation set as a default starting condition the necessary inclusion, at some level, of union involvement for the development of employee voice systems and structures. This implies that management must be prepared to invest resources in genuinely sharing some control and power with the workforce and their representatives (trade unions) to build a mutually supportive employment relationship through voice arrangements.

Charlwood and Terry (2007) point out that the potential exists for voice arrangements to be seen as just a fig leaf concealing managerial unilateralism if management does not give employees a genuine right to participate in organisational decision-making, and voice arrangements will be seen by employees as no more than empty rhetoric. The critical challenge for management resides in giving up control without losing it (Spreitzer & Mishra, 1999). It is therefore important for management to develop human resource management practices and strategies that give rise to voice mechanisms that are adequately resourced and constantly monitored to ensure their relevance and effectiveness.

The Human Resource Management and Industrial Relations literature presented in this chapter give rise to the research questions outlined in chapter 1. Research questions 1, 2 and 3 are derived from literature describing the evolution of employee voice as a mechanism for employee involvement and employee participation, as well as being supported by the need for organisations to respond to increasingly competitive business environments;

RQ 1. How has employee voice developed and evolved in the organisation studied?

RQ 2. Do employers and employees support the proposition that mechanisms of employee voice have had a positive effect on the organisation?

RQ 3. What mechanisms for employee voice exist in the organisations?

The literature presented in this chapter also points to the integration of employee participation and employee voice within frameworks of unitarist, sophisticated HRM practices over time. From this view research question 4 (RQ 4) was derived,'have there been changes to the organisation's approach to employee voice'.

The following chapter will present the labour market policies that have set the context for changes to Australian industry over the course of the 20th century and the first decades of the 21st century. The chapter will first define the basic framework that has underpinned the development of work patterns and practices in Australia for most of the last century. The chapter will then investigate how workplace reform has been undertaken in light of these changing circumstances.

Chapter 3 Australian Labour Market Structure and Policies

3.1 Chapter aims

The objectives of this chapter are to present the labour market policies that have set the context for changes to Australian industry over the course of the 20th century and the first decade and a half of the 21st century. Firstly, the chapter will define the basic economic and labour market policy framework that has underpinned the development of work patterns and practices in Australia for most of the last century. Secondly, placing these policies in the context of the automobile manufacturing sector the chapter will investigate how workplace reform has been undertaken in light of these changing circumstances. Thirdly, the chapter will link key points in the chapter to the Research Questions in Chapter 1.

3.2 An Overview of Australian Economic and Labour Market Policies

The development of industrial policy in Australia pre-dates Federation in 1901 and can be traced back to the tension between the two major economic perspectives of protectionism (intervention) and free-trade (market forces) in Australia which have their origins in the colonial tariff policies of the 1850s (Lansbury, Saulwick & Wright, 2008; Lloyd, 2007; Anderson & Garnaut, 1986). After Federation in 1901, the 'protectionist' rather than the 'free-trade' arguments gained influence in developing Australia's industry policy (Costa & Duffy, 1991; Kelly, 1992; Lansbury et al., 2008). Sustaining the arguments in favour of protectionism were policies which were intended to encourage and develop national economic growth through the defence of nascent industries, particularly manufacturing (including automobile manufacturing), maintaining employment and the development of a high wage and self-sufficient economy (Lansbury et al., 2008; Haigh, 2013). As Anderson and Garnaut (1986) note: “Tariff protection for manufacturing was advocated as a way to increase the demand for labour” (p. 160).

The tariff barriers protecting Australian industry multiplied following the introduction of the first tariffs on manufactured goods. The initial Australian

Customs Tariff Act 1902 established high tariff barriers for imports of many manufactured goods and these can be seen as continuations of the high rates of duty imposed before Federation by the former Australian colonies individually (Lloyd, 2007; Lansbury et al., 2008). In 1921, the Tariff Board was established to examine, regulate and manage tariff protection (Lloyd, 2007). However, the board appears to have been a “rubber-stamp” that did not scrutinise the policy too closely: Butlin, Barnard and Pincus (1982), state that: "[The Tariff Board] appears to have accepted most clauses, without considering closely the case of need or the efficiency of the industry" (p.89). Critical assessment of tariff policy came from The Australian Tariff Inquiry of 1929 chaired by J.B. Brigden and established by the Scullin Labor government. Brigden was seen as an insightful choice because he recognised the dangers of over-protection of industry (Capling & Galligan, 1992). The Brigden Report (as it became known) warned that tariffs had reached their economic limit (Kelly, 1992; Lloyd, 2007). However, the committee gave approval to a continuation of these tariff policies on the grounds of ‘general welfare’, which was defined in terms of standard of living (Capling & Galligan, 1992). The committee also noted that tariff protection had increased the demand for labour, thus supporting a larger population (Kelly, 1992; Lloyd, 2007).

During the Great Depression, the Scullin Labor government raised a number of tariff rates and introduced a number of emergency duties between 1929 and 1931 which substantially increased protection (Lloyd, 2007). At the start of the Great Depression the Scullin Government raised tariffs seven times in 1929 alone (Capling & Galligan, 1992). The increased rates were partly offset by the consequence of extended Imperial Preference, effectively preference margins to British goods and those of other members of the British Empire, after the British Empire Economic Conference of 1932 in Ottawa (Lloyd, 2007). The characteristic of tariff policies over the next five decades was a defensive strategy of continual increase across all industries in response to economic volatility.

The period leading up to and including the Great Depression (1929 – 1939) is a significant period in the history of tariffs in Australia and is seen to have been when the pattern of industry protection was set. During this period Australian Governments established high tariff barriers for the manufacturing sector overall. The Depression period also saw the establishment of the guiding policy principle that the manufacturing sector was to be protected relative to the other sectors in the economy (Lloyd, 2007). This privileged the manufacturing sector ahead of the agricultural, mining and service sectors with regard to tariff policy. Although in the 1920s and 1930s a number of agricultural goods were protected either by tariff or import embargo, as was the case with sugar, other agricultural goods were also supported by subsidies and marketing schemes (Brigden, Copeland, Dyason, Giblin & Wickens, 1929, pp. 42-46), most subsidies and other assistance to agricultural producers date from after the Second World War (Lloyd, 2007).

After World War II tariff barriers were combined with import licenses to further restrict imports and entrench the 'New Protectionist' philosophy as central to Australian industry policy. The conditions created by a combination of post Second World War demand and a market protected by tariffs saw the establishment of several manufacturing facilities in the 1950s and 1960s, with a focus on manufacturing for the local Australian market and, as a consequence of that focus, relatively small production volumes (Lansbury et al., 2005).

The average tariff fell between 1973 and 1974 due to a dramatic 25 per cent across-the-board cut in all tariff rates by the Whitlam Labor Government in July 1973. This was the first systematic, across-the-board cut in tariff rates undertaken in Australia (Lloyd, 2007). The policy aim of the tariff cut was to reduce the rate of inflation, rather than to improve the efficiency of production. The tariff cuts were controversial at the time and they were widely blamed for the subsequent rise in unemployment (Lloyd, 2007). At the time, a number of economists believed that this experience would prevent further reductions in protection, however, when

viewed in the longer term, the impact of the 1973 cuts were relatively minor (Lloyd, 2007). One contributing factor is that the Government, following the recommendation of the 1973 Rattigan Committee Report, which reviewed the alternatives, exempted tariff items which matched excise items as it was considered by the committee that these duties were levied for revenue purposes not for protection. Another factor was that the automobile industry and some other protected industries succeeded in having the tariff rates on competitive imports restored to pre-cut levels within 12 months. The rate on assembled passenger motor vehicles being reduced from 45 percent in 1972 to 33.75 percent in 1973. However, the rate was restored to 45 per cent in December 1973 (Lloyd, 2007).These policy developments, which had the effect of entrenching the protection of Australian industries behind tariff walls, were in contrast to trends developing on a multi-lateral level through the General Agreements on Tariff and Trade (GATT) negotiations during the 1950s and 1960s. A key objective of these trade negotiations was the reduction of tariff barriers, a process with which Australia, through its protectionist philosophy, was clearly out of step. As Anderson and Garnaut (1986) point out:

> … the manufacturing tariff differences between Australia and other industrial countries widened during the two decades to the mid-1970s by which time Australia and New Zealand had by far the highest tariffs among industrialised countries (pp. 161-62).

It is argued that during the post-war period, these tariff policies were appropriate for the structure of the Australian economy with its focus on primary industry and a boom in the price of raw materials (Capling & Galligan, 1992). However, over time, Australian industry (particularly manufacturing) became less competitive as the maintenance of the tariff framework reduced the capacity of Australian industry to react to wider market conditions. Australian domestic industry was effectively insulated from change by the prevailing policy of industry protection, a consequence of the policy was that an organisation was only required (and

encouraged) to be as efficient as its domestic competition (Gruen & Sayegh, 2005; Costa & Duffy, 1991).

3.2.1 Wage Determination

In addition to the shelter provided for domestic industries by the protectionist framework built over the term of successive Australian federal governments, the wage arbitration system, developed in concert with capital protectionism, provided a mechanism for the benefits of industry protection to be passed on to workers.

Following the introduction of federal industrial relations legislation in 1904, Australia has had a unique and centralised system of industrial relations. Within this centralised system, and for most of the 20th century, such things as pay, conditions of employment and working arrangements have been determined industry wide at the level of occupations and specified in detail (Deery, Plowman & Walsh, 1997; Gardner & Palmer, 1997; Balnave, Brown, Maconachie & Stone, 2009; Bray, Waring, Cooper & McNeil, 2015). The system of wage determination within this system was unique in that wage rates were not determined by market forces or an employer's ability to pay but by what was deemed to be a 'fair and reasonable wage' (Bramble, 2008). The development of what was considered a fair and equitable 'living' wage required for a working man and his family to live in accordance with community expectations was determined in the Commonwealth Arbitration Court in the landmark test case, The Sunshine Harvester Judgment in 1907 (Harvester Judgement). In this case, Justice Higgins of the Arbitration Court, under the excise tariff legislation, determined a fair and equitable minimum family wage based on the requirements of an average family with one wage earner. The Harvester Judgement effectively separated wage outcomes from the capacity of

individual business to pay, thus setting in motion the machinery of wage fixing in Australia that operated for the following eight decades (Balnave, et al., 2009).

What guaranteed the blending of capital and labour under the Harvester judgement was that under the ‘New Protection’ policy, tariff protection was conditional on the adherence to a 'fair and equitable' wage, determined by the courts (Dowrick & Quiggin, 2003). The Harvester judgement thus established a uniquely Australian pattern of centralised wage determination (Balnave, et al., 2009; Bramble, 2008). It also bound tariff protection and wage determination together inseparably. The Harvester judgement also strongly influenced the Brigden Committee judgements more than twenty years later, as Quiggin (1996) points out:

> The ideas of the New Protection were given substance by the report of the Brigden Committee (1929). The committee argued that, while protection yielded a lower per capita income than would free trade, it increased the demand for labour, and therefore the size of the population that could be supported at a given real wage, such as that laid down in the Harvester judgement. More generally, this point may be restated as saying that protection of a labour-intensive industry leads to an increase in the equilibrium real wage (p.20).

In undertaking to determine wage rates the Commonwealth Court of Conciliation and Arbitration (now the Fair Work Commission, see Table 3.1 for a list of the titles of the Australian industrial courts since 1901), through industrial awards became the regulator of wages, by the mechanism of what became known as the National Wage Case. This system of centralised wage fixation and Industrial awards is unique to Australia. National Awards are negotiated between the parties (trade unions and employers) and were legally binding documents specifying terms

and conditions of employment (Balnave, et al., 2009; Bramble, 2008). The authority to make legislation for the purpose of resolving industrial conflict, wage fixation and the regulation of employment conditions is derived from Section 51 (xxxv) of the Australian Constitution, which gives the Commonwealth the power to make legislation for conciliation and arbitration for the prevention and settlement of industrial disputes extending beyond the limits of any one state. Section 51 (xxxv) was used to support the conciliation and arbitration system, but current legislation is also based on the broader corporations power (s51 xx) (Balnave et al., 2009; Bramble, 2008).

In the National Wage Case, the entire award structure was taken into consideration and the Commission decided whether the factors within the economy indicated that wages as a whole should be varied. The Commission did not have the power under the constitution to initiate such a review, therefore the National Wage Case needed to be in the form of dispute settlement. Labour and management, via representative organisations, would undertake to contrive a formal dispute, as defined by relevant industrial legislation, which extended beyond the boundaries of any one state and was over critical elements of the award wage structure. Thus, the Commission was able to hear the "synthetic dispute" and determine what, if any, variation in award wages was appropriate (Hill, Howard & Lansbury, 1982; Balnave et al., 2009). The wage fixation system was deeply rooted in the Australian industrial relations regulatory framework and remained as the central wage fixing mechanism until 1967, when over-award payments had effectively marginalised this process (Hill et al., 1982).

1904 – 1956	1956 - 1988	1988 - 2009	2010 - 2012	2013 - Present
The Commonwealth Court of Conciliation and Arbitration (CCCA)	Australian Conciliation and Arbitration Commission (ACAC)	Australian Industrial Relations Commission (AIRC)	Fair Work Australia (FWA)	The Fair Work Commission (FWC)
Created by the *Conciliation and Arbitration Act 1904*	Created by amendments to the *Conciliation and Arbitration Act 1904* following the outcome of the *Boilermaker's Case*[1], which separated the arbitral and judicial roles of the CCCA	Created by the *Industrial Relations Act 1988* following the Hancock Committee review	Created by the *Fair Work Act 2009*	Created by the *Fair Work Amendment Act 2012*

Table 3.1 Names of the Australian Federal Industrial Courts and Commissions 1904 – 2016, Adapted from Bray et al., 2015. 1: The Queen v Kirby & Others; Ex Parte Boilermakers' Society of Australia (1956) 94 CLR 254

However, the post second world war period up to the early 1970s was characterised by relatively stable economic conditions and consistent market growth. In this context, protectionist trade policies artificially sustained the Australian economy, leaving it poorly prepared for shifts in global and national economic conditions (Quiggin, 1993). Within the highly regulated protectionist system both management and trade unions pursued policies, strategies and goals based on a culture and background insulated from external market forces. The overarching strategy of many Australian manufacturers was a focus on production quantity rather than production *quality*. The industry protection that prevailed in the 1950s and 1960s engendered a sense amongst some manufacturers that they had an

exclusive right to the captive Australian market. Arguably, the economic policy settings created an environment where labour bargaining outcomes were in excess of those that might have occurred in a more competitive market.

The economic shock of the 1970s oil crisis, and the subsequent economic instability it brought with it, uncovered the vulnerability of the structural environment in place in Australia, both at a macro and micro economic level. The new economic environment was characterised by economic instability, deregulation and international competition. Bold measures were undertaken to address the rapid decline in the Australian economy during the 1970s, in the trade policy area as well as in industrial relations.

Wage indexation was introduced as the central mechanism for wage determination under the Fraser Federal Coalition government in 1975. From April 1975, indexation became quarterly to constrain wage costs. However, the system remained under pressure from "work value anomalies and inequities" (Gardner & Palmer, 1992, p. 334) and by 1981 wage indexation was abandoned. Wage Indexation was initially conceived as part of an incomes policy to regulate both wage and non-wage forms of income (Deery & Plowman, 1991; Balnave et al., 2009; Bramble, 2008). The wage indexation system comprised an integrated set of wage-fixing principles, at the centre of which was the regular adjustment of wages in reference to a “price-index” (Gardener & Palmer, 1992, p.332). Wage indexation allowed the Commission to have control over regulating wages. In line with the reasoning underpinning the National Wage Case, the system was geared to provide the highest overall wages that the economy as a whole could afford (Costa & Duffy, 1991; Deery & Plowman, 1991; Quiggin, 1996). However, as Anderson and

Garnaut (1986, p.49) note, wage indexation further entrenched inefficiency within the system, and the effect was to protect the most labour intense manufacturing industries.

In 1983 the incoming Hawke Labor government's Prices and Incomes Accord with the trade union movement provided the framework for restructuring at a micro-economic level. The Accord bound the trade union movement to a policy of wage restraint in return for which the trade union movement had significant involvement in government economic development (Bradford, Wilson & Fitzpatrick, 2000). While essentially a reworking of the wage indexation process, the 'Accord' provided an adaptable platform to develop a more flexible and closer relationship between wage policy and productivity (Bradford, Wilson & Fitzpatrick, 2000). The Accord (1983-1996) was an anti-inflationary broad-based national income policy modelled on the British social contract of the late 1970s. However, through its various stages over its 13-year lifespan, it provided the framework for negotiating progressive economic and structural reforms to enhance economic performance (Bradford, Wilson & Fitzpatrick, 2000).

The seeds of the move away from a nation-wide centralised system were sown with the Hawke Labor government Accords. While the relationship between controlling wages and inflation with the use of social policy was a central aspect of the Accords in the early 1980s, the national economic situation in the latter part of the 1980s was driven by other issues such as high foreign debt and a poor balance of payments (Bradford, Wilson & Fitzpatrick, 2000). The policy direction moved

from being an anti-inflationary policy to a new system of wage fixation designed to address global market competition (Fox, Howard & Pittard, 1995; Balnave et al., 2009; Bramble, 2008).

The 1987 National Wage Case (NWC) introduced new principles which moved away from the previous focus on wage indexation. The new principles provided for 'two-tier' increases, with the first tier being a flat increase to award rates ($10 per week) and the second tier was a wage increase for 'measures implemented to improve efficiency' under the 'restructuring and efficiency principle', including changes to 'work practices and management practices'. The second-tier increase was capped at a wage outcome not exceeding 4 per cent (National Wage Case 1987). The structural efficiency principle and the restructuring and efficiency principle were NWC outcomes designed to change the focus of the employment relationship and ultimately meant that the enterprise became the key area where wages were determined (Niland, 1981; Niland, 1989; Forsyth, 1992; Hancock & Rawson, 1993; Keenoy & Kelly, 1996). The restructuring and efficiency principle was aimed at achieving a number of outcomes, principally an improvement to productivity. However, this was still in the context of a centralised system and it allowed the parties to negotiate productivity-based wage increases at the workplace. The 1989 NWC explicitly blocked the move to a system of enterprise level bargaining and opted to continue with a two-tiered system of base wages rises plus 'second tier' productivity and efficiency-based wage outcomes.

The move to enterprise level bargaining was supported by the Commonwealth government and the ACTU but opposed by employers; the Australian Industrial Relations Commission (AIRC - created by the *Industrial Relations Act 1988* following the Hancock Committee review) agreed with the employers in the 1989 NWC and argued that the pace of reform was too great and the parties to the proposal lacked the "maturity" to engage with such bargaining (Fox et al., 1995). The AIRC cited a number of major concerns in rejecting enterprise bargaining, including:

- the incompleteness of the award reform process and its application at the enterprise level
- the inadequate development of the 'receptive environment' necessary for the success of enterprise bargaining beyond the scope of the present system
- the fundamental disagreements between the parties and interveners about the nature of the proposed form of enterprise bargaining and their failure to deal with various significant issues; and
- the potential for excessive wage outcomes (National Wage Case, 1989, p. 20).

The AIRC said that the unresolved issues required further attention and debate, if 'industrial disputation and excessive wage outcomes' were to be avoided (Fox et al., 1995).

3.3 Micro-economic Reform in Australia

The deterioration in Australia's economic performance continued throughout the 1980s, and it was no longer effective for governments to rely on adjustment of macro-economic policies to substantially reverse the trend (Schedvin, 1987; Quiggin, 1996). The course of action open to government was to address micro-

economic ‘fundamentals’ and examine their performance (Forsyth, 1992, p.3). The focus of micro-economic reform is principally the efficiency of production and maximising the output from available resources at the level of the enterprise (Forsyth, 1992). As Paul Keating, the then federal treasurer in the Hawke Labor government pointed out:

> Success in the overall adjustment process will come increasingly to depend on the extent to which individuals and enterprises effectively compete in the international marketplace (Keating, 1987 cited in Forsyth, p.44).

The structural changes to facilitate a micro-economic reform agenda in Australia had been started with the reduction of tariffs in the 1970s and continued with the financial deregulation in the mid-1980s. However, reform of the highly regulated labour market structures and processes had remained substantially unchanged since the Conciliation and Arbitration Act (1904) and the Harvester Judgement (1907). Reform of the system of labour market regulation was identified as a key issue in developing increasing competitiveness (Rimmer & Zappala, 1988; Quiggin, 1993). In this context, the Hawke Labor government through the vehicle of the Accord, embarked on a micro-economic reform agenda, focusing specifically on the labour market and industrial relations.

3.3.1 The Restructuring and Efficiency Principle

The declining performance of the Australian economy and the commensurate fall in international competitiveness gave rise to consensus and recognition from all parties to the March 1987 National Wage Case (employer representatives, trade unions and the federal government). All parties accepted that the macro-economic policy of centralised wage-fixation should be abandoned in favour of a policy which included industrial efficiency in the determination of wages (Fox, Howard & Pittard, 1995; Bramble, 2008). This unique position of consensus was born of the mounting conflict between centralised wage fixing and economic reform (Quiggin, 1996; Balnave et al. 2009). Arising from the consensus was the opportunity for the Australian Conciliation and Arbitration Commission (ACAC), to develop the ‘two-

tier' wage system of a flat wage adjustment in the first tier and up to 4% available through productivity gains and other cost savings in the second tier (Keenoy & Kelly, 1996; Balnave et al. 2009). The fundamental shift embodied in this process was the move from a needs-based, entitlement principle of wage adjustment to one requiring productivity off-sets (Niland, 1989; Forsyth, 1992). As Issac (1989) points out:

> The object of such flexibility is to encourage faster productivity growth and lower unit costs in order to improve international competitiveness. For similar reasons, labour market flexibility has been a matter of concern in a number of different countries... (p.51).

The focus of the micro-economic reform was initially the reduction of excessive costs and the removal of restrictive work and management practices, whilst at the same time introducing elements of multi-skilling (Quiggin, 1996). The development of a two-tiered system was seen as the catalyst for greater industrial efficiency. The two-tiered system offered the workforce the opportunity for wage increases through skills' enhancement and improved career prospects completed the 'win-win' scenario (Deery et al., 1997). The key element in the two-tiered wages policy was the development of labour flexibility, which had emerged as a major theme in workplace reform debates in the 1980s (Atkinson, 1984; Piore & Sabel, 1984; Rimmer & Zappala, 1988).

3.3.2 The Structural Efficiency Principle - Award Restructuring

Because of the limited nature of the restructuring and efficiency principle, in 1988 the ACAC stated that its usefulness had been exhausted, but it had laid the foundation for further workplace reform (National Wage Case, 1988). This reform came as a new wage system linked to the reform of the industrial award system. Wage increases were to be paid in accordance with a new principle -Structural Efficiency - which came to be known as 'award restructuring' (Rimmer and Zappala, 1988; Fox et al., 1995). Award Restructuring involves a number of measures to alleviate problems such as the removal of obsolete job classifications, the broad-banding of several narrow classifications, the establishment and defining

of links between training, skills and wages and ensuring work arrangements enhance flexibility and efficiency (Gruen & Grattan, 1993, p.149). As the Commission noted:

> ...award restructuring has the potential to generate significant productivity gains on a sustained basis it provides a mechanism for modernising our award structures, laying the basis for more flexible forms of work organisation and working arrangements, building better incentives into our awards for skill formation, and developing a more skilled, adaptable and motivated workforce (National Wage Case, 1988 p.20).

The focus of award restructuring was the development of a more highly-skilled workplace to contribute to increasing organisational efficiency and competitiveness. The scope of changes in award restructuring included the development of career paths and multi-skilling with a focus on enhancing flexibility (National Wage Case, 1988; Rimmer & Verevis, 1990). This entailed the development of new classification structures to provide a mechanism for a structured development of the skill levels within an organisation (Rimmer & Verevis, 1990). As indicated by contemporary research, the key reforms undertaken through the principle of Award Restructuring focused on the reduction of job classifications, the establishment of skill-related career paths and variations in terms and conditions of employment.

Award restructuring facilitated the process of limited or 'managed decentralised' productivity bargaining between the parties to awards (MacDonald & Rimmer, 1989; Davis & Lansbury, 1998). The results of award restructuring were mixed, however, in retrospect it provided the platform for further workplace reforms through enterprise-based agreements, particularly in the manufacturing and public sectors (Rimmer & Verevis, 1990; Fox et al., 1995).

Award restructuring also provided the foundation for the further decentralisation of workplace reform, or what Davis and Lansbury (1998) describe as co-ordinated flexibility. This new industrial relations framework facilitated rather than impeded change, by allowing more flexibility, innovation processes and agreements (Davis & Lansbury, 1998).

3.3.3 Enterprise Bargaining Principle

Decentralisation of the regulation of terms and conditions to the level of the enterprise was at first rejected by the Australian Industrial Relations Commission (AIRC). The AIRC's main concerns related to reservations about the maturity of the parties as well as the pace of reform (Fox et al., 1995; Bramble, 2008). However, in the October 1991 National Wage Case, the AIRC bowed to sustained pressure from all parties and established the next stage in the micro-economic or workplace reform agenda - The Enterprise Bargaining Principle. The Enterprise Bargaining Principle continued the momentum of deregulation by providing the framework for enterprise-specific agreements to become the main vehicle in the determination of working conditions and rates of pay (Balnave et al., 2009; Bramble, 2008).

The framework of the Structural Efficiency Principle was maintained, with agreements based upon improving productivity and efficiency (Gardner & Palmer, 1996; Bramble, 2008). A key procedural reform undertaken by the AIRC under this principle was the reduction in its role as arbitrator over total wage outcomes, opting instead for the role of conciliator between the parties in order to ensure minimal safety net provisions thus shifting the responsibility for enterprise level bargaining into the hands of the negotiating parties (Balnave et al., 2009, Bramble, 2008).

Additional reforms followed the establishment of the Enterprise Bargaining

Principle. These were primarily driven by the Keating Labor government, which wanted to accelerate the pace of reform (Teicher, Holland & Gough, 2006). The legislation which followed included Certified Workplace Agreements in 1992, the Enterprise Awards Principle in October 1993 and the Industrial Relations Reform Act 1993, which was introduced by the AIRC in June 1993 to replace the Enterprise Bargaining Principle (Fox et al., 1995). The main thrust of these changes maintained the shift of responsibility for the substance of agreements firmly into the workplace, while further reducing the role of third parties to the negotiations (Fox et al., 1995; Bramble, 2008).

The election of the Howard Liberal Coalition government in 1996 provided further impetus to the decentralisation of labour regulation and workplace reform. The objectives of the 1996 Workplace Relations Act reflect the Howard Liberal Coalition government's aim to entrench the workplace as the focus for industrial relations and provide employers and employees with a choice over the form of agreement to rule in the workplace (Bramble, 2008).

The Workplace Relations Act restricted the Australian Industrial Relations Commission's powers to arbitrate to approximately 20 issues. The Act also provided for the development of enterprise unions and an end to compulsory unionism. The changes brought in with the 1996 Act were predicated on the philosophy that a more dynamic and competitive economic environment can best be enhanced by increasingly decentralising responsibility to the workplace, as it is the management and the workforce that understand the needs and constraints within an enterprise (Fox et al., 1995; Bramble, 2008).

3.3.4 Assessing Australia's Performance

By the mid-1970s, of advanced western market economies, Australia had the second, most regulated economy in the world after New Zealand. This sustained

period of protectionism underpinning the economic development of Australia had developed at the cost of economic and industrial competitiveness (Costa & Duffy, 1991). As Tables 3.3 and 3.4 indicate, during the period of sustained economic growth between 1945 and1970, the ‘long-boom’, Australia's competitiveness had slowly but consistently decline against other OECD countries on a variety of performance indicators.

In addition, Australia slipped from 5th most productive (as measured in output per head) nation in the OECD in 1950 to 13th by 1977. Annual per capita growth records show that Australia consistently featured in the bottom one-third. In terms of GDP, Australia was also well below average, as Table 3.4 illustrates.

The economic decline of Australian industry is further highlighted by Hughes (1989, p. xix), who points out that: "Australia is the only industrial country that has not increased its proportion of merchandise export to GDP during the last 30 years". Thus, while protectionist policies encouraged the development of domestic industries, what became apparent at the end of the 'long-boom' was that the retention of these policies as a defensive strategy had significantly hampered the growth of cost-effective export-orientated industries (Gruen & Grattan, 1993).

As Costa and Duffy (1991) note: “Tariffs effectively tied productive rewards to failure, the worse the performance, the higher the tariff” (p.44). Thus, protection reduced competition and flexibility and sheltered some industries, while becoming a form of tax on export-orientated industries - in other words a form of "built in arthritis" (Costa & Duffy, 1991, p.44).

The work patterns and practices developed in Australia under this protectionist economic model reflected the ‘arthritic’ state of the country's industry. With the

end of the ‘long-boom’ and the emergence of a post-Keynesian world economy of economic instability and increasing international competition, Australia was in a poor structural and economic position to respond to this new environment (Costa & Duffy, 1991; Gruen & Grattan, 1993). What was required was a complete review and reform of the structures and systems which had characterised Australian industry policy since Federation in 1901, in order for Australia to compete internationally (Sloan, 1992).

Table 3.3 GDP and Labour Productivity Percentage 2015				
Country	GDP per capita, constant prices (% Change 2014 – 2015)	GDP per hour worked, constant prices (% Change 2014 – 2015)	Labour utilisation (=hours worked per head of population)	GPD per head of population ($US)
Australia	0.8	0.7	1.2	44,451.30
Canada	0.2	-0.1	0.3	42,227.10
Denmark	0.3	0.0	0.2	42,118.30
France	0.9	0.5	0.3	36,789.10
Germany	0.9	0.8	0.1	42,932.40
Japan	0.7	-0.4	0.5	35,162.50
New Zealand	1.4	-0.7	2.2	33,656.90
Sweden	3.0	2.4	0.5	44,089.60
United Kingdom	1.4	1.5	-0.1	38,617.90
USA	1.8	0.6	1.2	51,602.10
OECD	1.6	0.4	0.9	37,115.80

Table 3.4 GDP Percentage change from 1995 to 2015													
Country	1995	2000	2005	2006	2007	[(i)] 2008	2009	2010	2011	2012	2013	2014	2015
Australia	2.7	0.7	1.6	2.1	1.7	-0.3	0.3	1.0	2.0	0.7	0.9	0.9	0.8
Canada	1.6	4.3	2.2	1.6	1.1	-0.1	-4.1	1.9	2.1	0.5	1.0	1.4	0.2
Denmark	2.6	3.4	2.1	3.5	0.4	-1.3	-5.6	1.2	0.7	-0.4	-0.6	0.7	0.3
France	1.7	3.2	0.8	1.7	1.7	-0.4	-3.4	1.5	1.6	-0.3	0.1	0.2	0.9
Germany	1.5	2.9	0.9	3.9	3.5	1.4	-5.3	4.3	3.7	0.3	0.2	1.2	0.9
Japan	1.7	2.1	1.3	1.6	2.1	-1.1	-5.5	4.7	-0.3	2.0	1.5	0.1	0.7
New Zealand	3.0	1.6	2.2	1.4	2.8	-2.4	0.8	-0.1	2.0	2.2	0.6	1.5	1.4
Sweden	3.5	4.6	2.4	4.1	2.6	-1.3	-6.0	5.1	1.9	-1.0	0.4	1.3	3.0
UK	2.2	3.4	2.2	1.8	1.7	-1.4	-5.0	1.1	0.7	0.6	1.3	2.3	1.4
USA	1.5	3.0	2.4	1.7	0.8	-1.2	-3.6	1.7	0.8	1.5	0.9	1.6	1.8
OECD – total	1.8	3.4	2.1	2.5	1.9	-0.5	-4.1	2.4	1.3	0.7	0.7	1.3	1.6

Tables Adapted from Organisation for Economic Co-operation and Development (OECD) figures
Percentage Change in GDP and labour productivity (OECD.stat https://stats.oecd.org/Index.aspx?DataSetCode=PDB_LV. (i) Global Financial Crisis

3.4 Restructuring and Reforming Australian Economic Policies

The high tariffs associated with the protectionist policies of the first half of the 20th century had resulted in uncompetitive outcome in terms of industry performance when compared with global standards. The lack of competitiveness of Australian industry and particularly in manufacturing output, gave rise to a review of the relationship between protectionist economic policies and the broad national interest. The Whitlam Labor government appointed the "Committee to Advise on Policies for Manufacturing Industries" on the 18th of July 1974. This committee became more commonly known as the 'Jackson Committee' after the Committee Chairman R.G Jackson. The Jackson Committee report asserted that Australian industry was in a deep-seated and long-standing malaise (Gadiel, 1976). Whilst the Jackson Committee report noted that the underlying cause for the underperformance of Australian industry at the time the committee was established was indeed the global recession of the early 1970s, it did offer the view that even when the recession ends, the malaise of manufacturing will still be there (Gadiel, 1976). The committee report suggested that the protectionist barriers established to safeguard the nascent Australian industries of early 20th century had become a major factor contributing to productivity rates below comparable international competitors (Gadiel, 1976).

Highlighted in the Jackson Committee report was the pace at which the competitiveness of Australian manufacturing industry had deteriorated (from an already low base), and the over-reliance on primary products and low-value-added exports. The report also noted that Australian manufactured goods were being produced by an alienated and frustrated workforce, and this was manifested in "industrial unrest, absenteeism, high turnover and indifference to quality ... and a poorly trained management force" (Gadiel, 1976). The Jackson Committee report was also a scathing indictment of Australia's manufacturing

industry, industrial relations and performance and the policies of successive federal governments (Costa & Duffy, 1991).

In order to address these negative trends, the Jackson committee report proposed an immediate restructuring of macro-economic policy in the area of industry protection. Specifically, the committee argued for tariffs to be cut in order to improve the competitiveness of the Australian economy, however, and apparently cognisant of the potential shock if the cuts came too quickly, the committee recommended that tariff reductions should be gradual (Gadiel, 1976). The significance of this proposal was a reversal of a trend which had underpinned successive Australian governments' industry policies since Federation (Gruen & Grattan, 1993; Bailey & Peetz, 2015, Peetz, 2016). During 1974 the Whitlam Labor government enacted an across the board 25% cut in tariffs and removed import quotas in the textile and clothing industry (Jones, 2015). From the mid-1970s tariff reduction across Australian industry became a plank in policy platform of successive federal governments, albeit to various extents and with shifting focus. The tariff reductions of the Whitlam era were linked to the Hawke Labor government's mid-1980s policy aim to phase out virtually all tariff protection by the end of the 1990s (Costa & Duffy, 1991). The economic justification for much of the reforms of the 1970s, 1980s and 1990s was based on the advice, forwarded as independent advice, sought from government public service agencies. The principle source of trade and industry policy advice has come from the Productivity Commission and its antecedent manifestations.

The origins of the Productivity Commission rest with the Tariff Board, established in 1922 to recommend on the levels of tariffs and quotas applicable to imports. The Tariff Board was arguably an instrument of the protectionists in successive Australian governments (Jones,

2015, p.3), however, it gained significant prominence in the post second world war period. The Australian manufacturing sector had been isolated by the war and the domestic boom of the 1950s and early 1960s were at odds with the inconsistent recovery of other economies (Jones, 2015; Bailey & Peetz, 2015, Peetz, 2016). Australian manufacturing employed 25% of the workforce and there was concerted pressure to protect that level of employment (Jones, 2015). As previously noted, the economic headwinds of the 1970s brought the need to change from protectionism. The Industries Assistance Commission (IAC) was established in July 1973 as part of Treasury by the Whitlam Labor government. The IAC was subsequently split from Treasury to form a standalone agency in 1976 by the Fraser Liberal Coalition government (Jones, 2015; Peetz, 2016).

The Fraser Liberal Coalition government put pause to the tariff reductions of the Whitlam years and adopted a somewhat protectionist set of industry and trade policies. However, the Fraser Liberal Coalition government trade and industry policy had a market-based focus, which was to become increasingly monetarist during its time in office (Jones, 2015; Peetz, 2016). With the election in 1983 of the Hawke Labor government the agenda to reform the economy turned to a social contract approach in the form of the Accords. With the Accords came the establishment of the broad-based Economic Planning and Advisory Committee (EPAC) in December 1983 which was later to be merged into the IAC (Jones, 2015; Peetz, 2016).

In 1989 the IAC was renamed to be the Industry Commission (IC) and in 1996 the Howard Liberal Coalition government merged together the IC, EPAC and the Bureau of Industry Economics to form the Productivity Commission (PC). During the Howard Liberal Coalition government years, when tasked to address industrial relations issues the PC typically treated

trade unions and industrial regulation as "market imperfections" and foregrounded what it saw as inefficiencies arising from them (Jones, 2015; Peetz, 2016).

The Rudd/Gillard Labor government did not change the PC and both the Rudd and Gillard Labor governments sought independent policy advice from the PC. Peetz (2016) argues that during this period the PC mellowed its hard rationalist approach and adapted to a more social democratic government. However, with the election of the Abbott Liberal Coalition government in 2013 the PC returned to being less sensitive to social considerations. The 2014 Productivity Commission Report on the Australian Automotive Industry, commissioned by the Abbot Liberal Coalition Government Treasurer Joe Hockey, is consistent with this "world view". Peetz (2016, p.166) asserts that the PC is a state agency that is conscious of its potentially precarious existence and has an eye to its own survival: "On one hand, the PC cannot ignore the wishes of any current government; on the other, it cannot afford to lose altogether the shield of third-party independence on which it relies to survive future changes of government" (Peetz, 2016, p.166).

3.5 Government Industry Policy in the Australian Automobile Industry

The wider macroeconomic and political influences that were shaping the fate of the automotive industry in the first half of the 20th century were also setting the course for the industry in the 1990s and 2000s. The deep recession in Australia during 1982-3 resulted in a significant rise in total unemployment that in turn had a negative effect on demand for consumer goods – including new cars. New car manufacturing fell by 82,265 vehicles between 1979/80 and 1980/81, just 79% of production in the previous period. In 1981/83 production was still only 90% of the 1978/80 level (see Table 3.5). As detailed earlier in this chapter, in 1983 the Hawke/Keating Labor Government sought to rebalance the economy by establishing the 'Accord'. The Prices and Incomes Accord sought to bring stability to the

Australian economy which had long been stricken by a 'boom and bust' economic cycle of wage-push inflation.

Type	Year			
	1979 - 1980	***1980 – 1981***	***1981 - 1982***	***1982 – 1983***
Cars and Station Wagons Combined	399,288	317,029	373,819	363,089
Utilities and Panel Vans	29,244	24,542	19,271	15,392

Table 3.5 Australian Motor Vehicle Production 1979 – 1983, *Source: Australian Bureau of Statistics, Year Book Australia, 1980, 1981, 1982, 1983, 1984 and 1985*

The Prices and Incomes Accord (Accord) was an agreement struck between the Hawke Labor government and the Australian Council of Trade Unions (ACTU). The unions agreed to restrict wage demands in return for a government commitment to minimise inflation. The government also committed to take up any shortfall in wages caused by wage restraint by improving the 'social wage'. The idea of a social wage in the Australian context included government funded education as well as health and welfare. The Accord attempted to curb inflation without harming the living standards of Australian workers. The Accord operated for the term of the Hawke, and Keating Labor government through seven iterations after the first 1983 Accord (Accords Mark II to VIII). The first Accord established wage rises of 4.3% (September 1983), 4.1% (April 1984), and a deferred 2.6% pay rise over the initial 3-year period using the existing centralised wage fixing mechanisms. These pay rises were accompanied by enhancements to family payments and child care, as well as the reintroduction of the original Medibank scheme under the new name of Medicare.

Unemployment also fell from over 10% (in the 2nd quarter of 1983) to just under 8% (Buxey and Petzall, 1991; Bradford, Wilson & Fitzpatrick, 2000; Haigh, 2013).

Much of the assistance received by automobile manufacturers making passenger vehicles and light commercial vehicles in Australia has been in the form of tariffs and excise as well as other trade measures. After the release of the Australian Government's Motor Industry Development Plan (the Button Car Plan) in 1984, policy changes led to a reduction in tariff assistance (Lansbury et al., 2010; Haigh, 2013). The tariff rate on passenger motor vehicles and parts fell steeply at the rate of 2.5 percent annually from 1988 to 2000. Further, even steeper reductions of 5 percent occurred in 2005 and 2010 (Table 3.6).

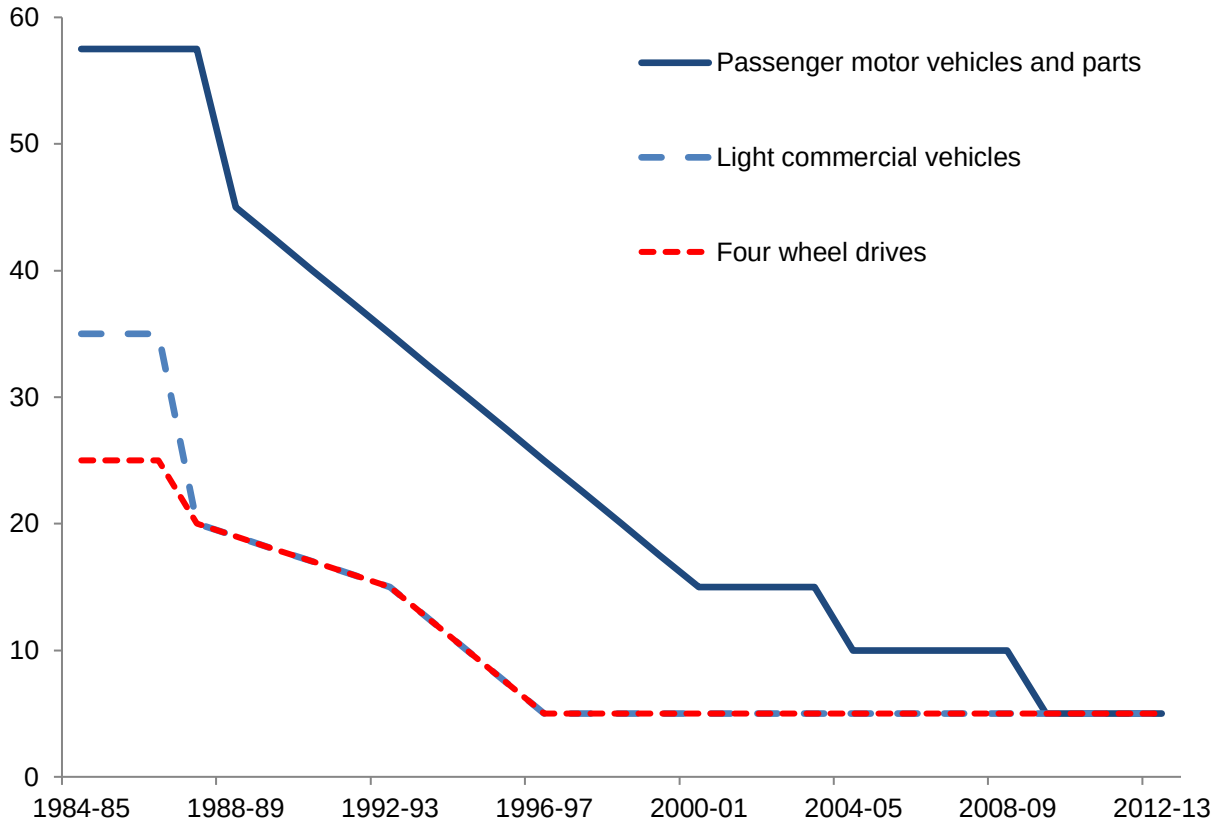

Table 3.6 Tariff rates for the Australian automotive industry (Per Cent), *Adapted from the Australian Productivity Commission Report 2015.*

In 2014/2015 the general tariff level for the Australian automotive industry was set at 5 per cent. More specifically, the tariff level of 5 per cent was also applied to passenger motor vehicles, light commercial vehicles and four-wheel drives. As well as applying to complete vehicles, original equipment and replacement components also attracted a 5% tariff. Tariff rates lower than the general rate apply to imports from some countries under bilateral or regional trade agreements such as the trade agreements with the Association of Southeast Asian Nations (ASEAN), New Zealand, Chile, the United States, Malaysia, Singapore and Thailand (Australian Productivity Commission 2015).

Country or region	*Tariff rate on passenger vehicles (%)*	*Tariff rate on commercial vehicles (%)*	*Tariff rate on automotive components (%)*
Japan	0	0	0
United States	2.5	0–2.5	0–2.5
Australia	5	5	5
Korea	8	10	8
European Union	10	22	3–4.5
Mexico	20	20	0–5
China	25	6–25	3–25
Brazil	35	35	0–18
Thailand	80	40	10,30
India	60–100	10	10

Table 3.7 Tariff rates for vehicles and automotive components in selected countries. *Sources: Department of Foreign Affairs and Trade (11 December 2013); US Department of Commerce (2011); WTO (2013).*

With the falling level of tariff protection to the automotive industry there was an increased foreign competition in vehicles. In response to the influx of imported vehicles a series of industry specific measures were implemented by the Australian government to assist the industry to adjust to the changing level of competition. A feature of each assistance package is that it included a fixed, specific end date; according to the Australian Productivity Commission Report (2015) the implied meaning of a fixed end date was that the industry would not receive ongoing assistance from government beyond that end date. However, industry assistance packages have been extended, including the 2001 Automotive Competiveness and Investment Scheme (ACIS). According to a parliamentary press release from the Howard Liberal Coalition Government Deputy Prime Minister and Minister for Trade and Industry, Tim Fisher, the ACIS was designed as a transitional assistance scheme that aimed to encourage competitive investments by firms in the automotive industry in order to achieve sustainable growth. The ACIS sought to provide an incentive for industry to continue its progress towards global competitiveness and a self-sustaining future in the context of trade liberalisation and the globalisation of the car industry. The ACIS was designed to reward higher performing firms that invested in local manufacturing and demonstrated innovation. The scheme was to run for five years, ending on 31 December 2005 (Fischer, 1998[1]).

The aim of industry assistance schemes was to provide Australian manufacturing with some shelter from global competition while it restructured to become globally competitive, that is to say, to become export oriented rather than focus on import replacement. Introduced in 1998 by Tim Fisher, the then Deputy Prime Minister and Minister for Trade, the Automotive Competitiveness and Investment Scheme (ACIS) took

[1] Media Release: 22 April 1998, The Hon. Tim Fischer, Deputy Prime Minister and Minister for Trade, 'Major New Government Initiative for Australia's Car Industry'.
http://trademinister.gov.au/releases/1998/td980422.html

effect in 2001 and was initially planned to run for five years. According to a press release from Tim Fisher the objective of the ACIS was to be:

> … a transitional assistance scheme that will encourage competitive investments by firms in the automotive industry in order to achieve sustainable growth. The Scheme will provide an incentive for industry to continue its progress towards global competitiveness and a self-sustaining future in the context of trade liberalisation and the globalisation of the car industry. It has been designed, to reward higher performing firms that are prepared to invest and be innovative" (Fisher 1998).

In a 1999 explanatory memorandum to the upper house of Parliament, Senator Minchin stated that the ACIS Bill

> …[will] provide transitional assistance to encourage competitive investment and innovation in the Australian automotive industry in order to achieve sustainable growth, both in the Australian market and internationally, in the context of trade liberalisation (Minchin, 1999[2]).

In 2003 Joe Hockey, the then Acting Minister for Industry, Tourism and Resources, explained to Parliament that the post 2005 ACIS, like the pre-2005 Scheme, will be a transitional assistance scheme that will encourage competitive investment and innovation by firms in the automotive industry in order to achieve sustainable growth as tariffs are reduced in line with trade liberalisation (Hockey, 2003). Anticipating further tariff reductions by the government of the day, the ACIS was extended to 2015 to provide additional transitional support to the industry.

With the closure of the 2007 Mitsubishi plants in South Australia the Automotive Transformation Scheme (ATS) was developed to replace stage 3 of the ACIS (which had been scheduled to run between 2011 and 2015) in 2011. The ATS is designed to offer transitional support to the automotive manufacturing industry over the period 2008-09 to 2020-21. In 2009 Kim Carr, the minister for Innovation, Industry, Science and Research in

[2] Senator Nick Minchin, Explanatory Memorandum to the ACIS Bill, 1999

the Rudd Labor Government echoed the announcements of Fisher in 1998 and Hockey in 2003 by stating that the scheme was intended to "… encourage competitive investment and innovation in the Australian automotive industry and to place the industry on an economically sustainable footing. … The object of the Scheme will be achieved in a way that improves environmental outcomes and promotes the development of workforce skills"[3]. From the middle 1980s to the 2010s, both the Labor and Liberal sides of Australian politics were producing budgetary policy to support the automotive industry and provide an environment for building a sustainable, export orientated car industry.

Budgetary assistance was similarly being provided to the automotive manufacturing industry through other programs under such schemes as the New Car Plan. The automotive manufacturing industry also garnered assistance through such mechanisms as government preferential purchasing policies and generally available Australian Government assistance measures, such as tax concessions for eligible research and development activities and export facilitation programs. Tax policies such as the Luxury Car Tax and restrictions on the importation of used (second hand) vehicles also benefitted the automotive industry – Australian car makers did not make vehicles in the "luxury car" category and the restrictions on importing second had cars helped to maintain demand for new Australian built vehicles.

According to the Productivity Commission (2014), it is estimated that about $30 billion (in 2011/12 dollars) was provided to the automotive manufacturing industry between 1997 and 2012. Despite this, the per-vehicle level of subsidy provided to the Australian automobile industry is low when compared to automobile makers in other countries with comparable levels of economic development. Data presented in Table 3.8 show that direct

[3] Senator Kim Carr, Explanatory Memorandum to the Automotive Transformation Scheme Bill, 2009.

per capita subsidies to Australian automobile manufacturers at US$17.80 are lower than most and significantly lower than German (US$90.37), US (US$264.82) and Swedish (US$334.18) governments (Davey 2011).

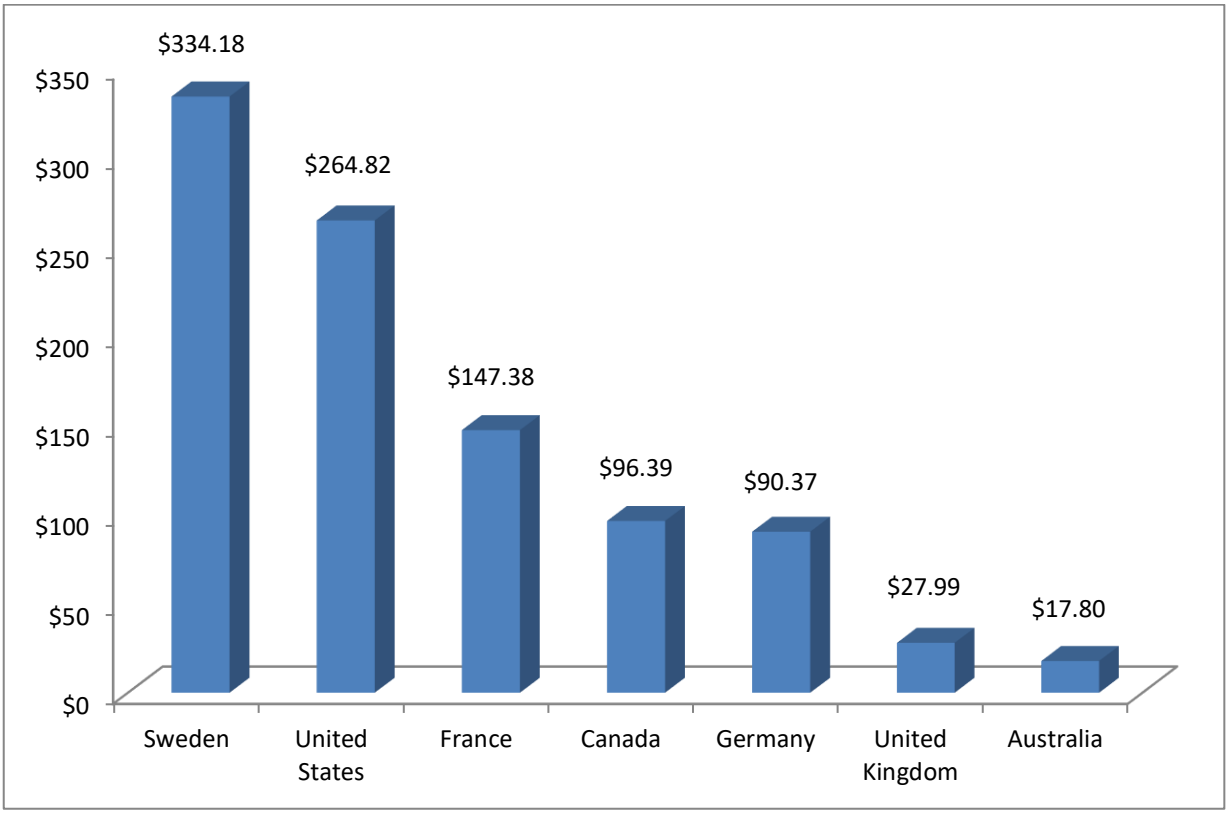

Table 3.8 Selected Per Capita Assistance for the Automotive Industry, US$ 2007 values, 2008 – 2009 *Adapted from Davey (2011)*

Increasingly, assistance to the automotive manufacturing industry over recent years has been in the form of budgetary (government grants and other assistance) rather than protection via tariff assistance, balancing the exposure to competition from cheaper imports with government help (Davey, 2011).

The productivity of the Australian car makers has also been rising when measured in the value of vehicles produces. Table 3.9 shows that while the average number of vehicles per employee has fallen, the average value of production per employee has risen between 2002 and 2012. However, total production volumes fell over the same period, with notable

changes coinciding with the global financial crisis and the impact that had on new car sales in Australia. These falls can be interpreted as representing the decline in exports for vehicles and components due to catastrophic falls in demand for new cars globally.

Year	Production Volume	Production Value ($b)	Employment	Ave Vehicles / Employee	Ave Production Value / Employee
2002	359,751	8	20,914	17.2	$382,041
2003	406,668	8.5	23,119	17.6	$366,798
2004	407,537	8.9	22,485	18.1	$395,375
2005	387,821	8.4	20,908	18.5	$402,238
2006	329,428	7.8	18,390	17.9	$426,319
2007	335,625	7.7	17,751	18.9	$435,947
2008	324,684	7.5	14,728	22	$508,596
2009	218,258	5.6	12,294	17.8	$459,216
2010	242,941	6.2	13,035	18.6	$473,103
2011	221,957	5.3	12,354	18	$430,937
2012	221,254	5.4	11,053	20	$486,022

Table 3.9 Labour Productivity in Australia *Source: Department of Industry, Key Automotive Statistics 2012, Reference Table 20, p14*

The various Australian state governments have also from time to time provided incentives to the automobile industry (Australian Productivity Commission 2015; Haigh 2013; Lansbury et al. 2010). State level subsidies exist in the form of government/industry co-investment grants provided by the Australian, Victorian and South Australian governments. However, the Productivity Commission suggests that publicly available information about such government assistance is patchy. For example, in 2011 the Victorian Competition and Efficiency Commission (VCEC) observed that there is "limited public reporting about the effectiveness and efficiency of particular

manufacturing programs", including measures for the Victorian automotive industry. The scarcity of public information on the costs of administering individual programs was also highlighted by the VCEC (VCEC 2011, p. 112). Information about assistance from the Victorian and South Australian governments similarly lack detail and public transparency. State level automotive industry support is often provided as part of more broadly focussed state government initiatives for manufacturing industry in general. However, some targeted programs do exist. For example, in October 2011, the government of Victoria announced that funding would be made available for the Workers in Transition program to help retrain retrenched workers. In 2012, the Victorian government also allocated funding of $24 million to the Industry in Transition and Specialist Training Initiative to provide training for workers in the Geelong and Broadmeadows regions anticipated to lose their jobs following the departure of Ford (Victorian Government Department of Business and Innovation, 2011).

The South Australian state government has also announced a $15 million increase for the Automotive Industry Structural Adjustment Program to extend the programme until 30 June 2018 and a $30 million Skills and Training Initiative to support Holden and Toyota workers train for new jobs, while they are still employed. The South Australian state government points out that Holden and Toyota contributed $15 million funding each to this initiative (http://www.business.gov.au/grants-and-assistance/growth-fund). The government of Victoria has also announced the Melbourne's North Region Innovation and Investment Fund (MNIIF) with a total funding of $24.5 million available over three financial years from 2013-14 to 2015-16. This fund is designed to support cities in the Melbourne northern region (Hume, Whittlesea, Moreland and Darebin) expected to experience negative consequences from the decision by Ford to end production at the Broadmeadows factory. According to the Victorian government the "MNIIF will support

investment by businesses leading directly to new sustainable jobs in Melbourne's North to assist the region to diversify its economic base". Eligible projects for the MNIIF will focus on encouraging new investment to create new or additional business capacity that results in sustainable jobs (Victorian Government Department of Business and Innovation, 2011).

However, while the precise detail of state level financial support is relatively inaccessible, state governments have been active in providing assistance to the automotive industry and actively advocate on behalf of the industry. In 2013 the Victorian government provided a submission to the Productivity Commission Inquiry: Review of the Australian Automotive Manufacturing Industry. The Victorian submission stated, amongst other things, that:

> The automotive industry is a source of significant value to the Australian economy. This stems from the combination of its size and its significant contribution to exports, investment attraction, research and development (R&D) technology adoption, skills development, productivity growth and connections to other industries, including aerospace, defence, other transport and mining. These public benefits are economy wide, distributed through the regional footprint of the industry and strong national networks.

In a manner similar to that of ministers Fisher (Liberal Coalition, 1998), Minchin (Liberal Coalition, 1999), Hockey (Liberal Coalition, 2003) and Carr (Labour, 2009), the Victorian government stressed that support for the automotive industry "… should focus on completing the transition to a profitable, globally integrated, sophisticated domestic industry". The Victorian submission then goes on to state that support for the automotive industry "… must be accompanied by a reform agenda encompassing better market access for exporters, workplace reform, tax, infrastructure and procurement" (Victorian Government, 2013).

The Australian Productivity Commission (2014) states that automotive manufacturing accounted for approximately 5 per cent of hours worked and capital expenditure in Australia. In the same report the PC further argues that global forces are driving dramatic changes in the size, scale and locations of motor vehicle production in Australia. The APC states that Labour costs in automotive manufacturing are higher in Australia than in countries such as China and Thailand. However, the PC goes on to state that labour costs in Australia are not substantially different from those in other developed countries such as Germany and Japan (Productivity Commission, 2014).

Global trends are driving significant changes in the demand for motor vehicles as well as the size, scale and locations of production facilities (Productivity Commission, 2014, p.7). Australia is relatively small in the global context of motor vehicle manufacturing. An International Organisation of Motor Vehicle Manufacturers (OICA) report shows that new vehicle sales in Australia are just over 1 million units, or about 1.3 per cent of the passenger and commercial vehicles sold globally in 2013 (OICA 2014b). Australian-made cars lost considerable market share in Australia during the first decade of the 2000s (Department of Industry 2013). Imported vehicles account for approximately 90 per cent of new vehicle sales in Australia. In 2013 the Australian car makers' share of global production was approximately 0.25%, or just over 200 000 units from a worldwide total of 85 million vehicles (OICA 2014a). Australia exported 40 per cent of local motor vehicle production in 2012.

The Australian Productivity Commission in a 2014 report argues that consumer preferences for motor vehicles worldwide have been changing. The change in preferences has shifted to smaller, more fuel-efficient vehicles. At the larger car end of the market,

SUVs have become more popular, and pickup truck (utilities and other light commercial vehicles) sales have also been growing.

The Australian Productivity Commission (2014), citing McKinsey and Company's market analysis from 2013, states that thirty per cent of global vehicle sales are of smaller, high-volume (or 'mass market') vehicles. The main reasons for this shift to smaller vehicles are government regulations and incentives which encourage the purchase of smaller and/or more fuel-efficient vehicles, along with an associated increase in consumer concern about carbon dioxide emissions and fuel costs. This a contributing factor for car manufacturers seeking economies of scale, in manufacturing and from supply chains, to focus on producing a smaller range of vehicles which are common to a wider number of global markets (Australian Productivity Commission, 2014).

The global nature of motor vehicle producers, and the development of vehicles based on a standard platform to be sold globally (the so called "world car" concept such as the Toyota Corolla, VW Golf), means that manufacturers have greater choices regarding the location of assembly plants, what models are produced at each plant and which markets are served by each plant. This flexibility to move manufacturing facilities relatively freely around the world, and the employment opportunities that come with the establishment of a production plant, have increased the ability of motor vehicle producers to negotiate government support. The globally distributed operations within global automotive companies also compete with each other for corporate capital and for the right to export cars or components to other markets (within or outside their region). This competition can be particularly intense when significant investment and production decisions are involved, such as for the development or production of a new vehicle model (Australian Productivity Commission, 2014).

While motor vehicle production in the United States, European Union and Japan has declined as a share of global production, as well as in absolute terms, over the period 2002 to 2012, production is increasing in many developing countries. Motor vehicle producers are building large-scale assembly plants in countries that have relatively low labour costs and/or are in a region of growing demand for motor vehicles, such as Brazil and China (Australian Productivity Commission, 2014).

Automotive manufacturing workers make up around 20 per cent of the broader automotive workforce. In 2013, approximately 45000 workers in Australia were employed in the automotive industry, making cars, trucks, buses, and engines, as well as automotive electrical components and products for the automotive aftermarket. A further 225000 people were employed in associated occupations including the repair, maintenance and wholesaling of motor vehicles and parts (ABS, 2013).

Comparisons of automotive labour costs across countries suggest that Australia is among the highest labour cost countries. The costs of producing motor vehicles in Australia are high relative to some countries where Australian car makers have affiliate operations. Car makers made submissions to the Australian Productivity Commission stating that the cost of manufacturing cars in Australia is higher than in Europe and Asia. One car maker said that higher costs are a result of high input costs (including wages) and the cost of importing components or using higher-cost domestic components. According to Morgan Stanley (2013) research, countries such as Germany, Australia, Japan and the United States have significantly higher labour costs than developing countries such as China, India and Thailand. Similarly, the US Bureau of Labor Statistics (BLS, 2013) figures

show that Australia has higher automotive wage rates than all countries considered except Germany.

The number of motor vehicles made in Australia is relatively small by global standards and has declined by almost half since 2004 (see Table 3.9). The largest number of vehicles made in Australia in 2012 by one company was just over 100,000 vehicles. In the same year, the lowest number of vehicles made was by a single company was less than 40,000 and the third car maker produced just over 80,000 vehicles. Expert opinion cited by the Productivity Commission (2014) suggests that a single car maker needs to be producing between 200,000 and 300,000 vehicles per year to be operating at a cost competitive level. This figure is roughly the same as the total aggregated annual production of the three remaining car makers in Australia in 2015.

The relatively small scale of Australian production has been a significant issue facing the automotive manufacturing industry since the start of the 1990s. In a submission to the Australian Productivity Commission, the Federal Chamber of Automotive Industries (FCAI) stated that:

> … in an industry where economies of scale are important in achieving cost competitiveness, the current lack of volume is a real disadvantage — both in itself and in flow on to major parts makers. (Productivity Commission, 2014)

Prior to the announcements that the last three Australian car makers would cease manufacturing operations, automobile industry participants submitted to the Productivity Commission that an increase in vehicle production levels was a key issue for improving the long-term viability of the Australian automotive industry. It was suggested that the production target should be a minimum of 300,000 vehicles each year. This target could

only be achieved under the current policy settings and tariff system if the total export from all car makers was more than triple the present level of 90,000 vehicles sent overseas.

The Australian market for new motor vehicles is about 1.4 per cent of the total global market, with around one million new vehicles across all market segments being sold locally each year. The Australian automotive market is also highly fragmented and has become more so over the past decade. The Australian market has 66 vehicle brands competing for one million vehicle sales, compared with 56 brands in 2003 (APC 2013). The fragmented market is a challenging environment for Australian vehicle producers to achieve an internationally competitive scale of production on the basis of only supplying the domestic demand.

3.5.1 Changing Trade Unionism in Australia 1980 – 2015

The peak representative body of the Australian trade union movement, the Australian Council of Trade Unions (ACTU) was formed in 1927. The formation of the ACTU followed a number of earlier failed attempts to create One Big Union (OBU) (Hagan, 1981, p.81). The ACTU was able to integrate the various constituents of the labour movement in the mid to late 1920s; in part because the ACTU constitution was able to offer something both to the socialist supporters of the OBU movement and to those who sought to maintain the system of craft unions and supported the principle of compulsory arbitration and the efficacy of Labor governments to represent their interests (Hagan, 1981; Bramble, 2008).

Up to the 1950s, the ACTU lacked authority within the union movement, with the state labour councils and individual national unions failing to support it financially. It was during the 1980s that the ACTU came to the fore as a key factor in Australian politics.

The ACTU assumed a position of authority over its affiliated members as it negotiated the Accord with the Hawke Labor government (Bramble, 2008, p.126).

The changing nature of Australian unionism can be articulated through examining three broad themes, each of which occurred in the context of the changing nature of work. The underpinning system of arbitration did little to influence the type of unions in Australia other than to formally recognise them within the scope of the industrial legislation. The first theme is that of declining numbers of manual unions as they amalgamated with each other. The amalgamations largely maintained the occupational organising base of Australian unions, but a consequence was that some unions became much larger as they represented increasing numbers of occupations. The second theme is the increasing numbers of white-collar unions, in particular after the 1970s, with the rapid growth of white-collar employment in contrast to the declining numbers of workers in manual employment. The third theme is the process of consolidation of a small number of large unions, while at the same time a large number of small unions continued to operate; for example, in 1979 80 per cent of unions with a membership of fewer than 10,000 members accounted for 14 per cent of total union membership, while the 4 per cent of unions with over 50,000 members held 44 per cent of all members (Rimmer, 1981, p. 324).

3.5.2 1990s and 2000-2007

With the re-election of the Hawke Labor government in December 1984 the Australian union movement still appeared to be strong. Membership of Australian trade unions was a little less than half of all employees, and they had considerable political power through the Accord and the unions retained a reputation for industrial strength, even though its use of this strength in strike activity had declined significantly. However, there were signs that membership was declining and union influence waning.

Membership declined rapidly during the 1990s, overall membership fell each year and union density dropped by just under 2 percent per year between 1992 and 1999 (Cully, 2000, p. 11). By 2000 only 25 percent of the workforce was unionised (see Table 3.11). During the 2000s, Table 3.11 shows that despite growth in overall membership in 2000, 2001, 2003 and 2005, by 2007 overall membership had fallen from 1,878,000, or 26 percent of the workforce, in 1999 to 1,696,000, or 19 percent, in 2007 (ABS, 2010).

The political power of unions declined as their relationship with the Hawke Labor government and then the Keating Labor government became less close. Mounting political pressure from employers and nearly losing the 1993 election moved the Keating Labor government towards adopting more neoliberal policies (Bramble, 2008). The trade unions supported a move to decentralised bargaining, but the Industrial Relations Reform Act 1993 (Cth) presented some strategic challenges to a union movement that was unprepared to meet them. The trade unions' relationship with national government reached a low point following the election of the Howard Liberal Coalition government in 1996. Unions were rarely consulted by the Howard Liberal Coalition government on any issue, and the Workplace Relations Act 1996 (Cth) was actively anti-union in its intent and outcomes. That the Howard Liberal Coalition government did not hold a majority in the Senate was the key factor protecting the trade union movement in Australia from even greater losses (Griffin & Svensen, 2002). In 2005 the Australian Parliament passed the newly re-elected Howard Government's Workplace Relations Amendment (Work Choices) Act 2005 which place an even greater strain on the Australian trade union movement (see Table 3.2 for a chronological list of Australian industrial relations legislation from 1988 to 2012). This legislation came into full effect on 27 March 2006

and built upon the changes made by the government in the Workplace Relations Act 1996 (Australian Government, 2005; Baird, Ellem & Page, 2006; Catanzariti & Pittard, 2006).

Year	Act	Purpose	Process
1988	Industrial Relations Act 1988	To introduce flexibilities into conventional procedures of regulation previously conducted under the Conciliation and Arbitration Act 1904	Continues conventional collective regulation through dispute settlement, producing awards and/or major collective agreements through procedures of bargaining, conciliation or arbitration
1992	Industrial Relations Amendment Act	Introduced the no-disadvantage test to be applied to proposed industrial agreements	Proposed agreements tested by Australian Industrial Relations Commission (AIRC) to ensure that they would not impose any net disadvantage on employees compared to the terms and conditions of a relevant award
1993	Industrial Relations Reform Act 1993	Amended the Industrial Relations Act 1988 and provided legislative support for enterprise bargaining and statutory remedies for unfair dismissal	Establishes procedural and substantive rules for collective bargaining and unfair dismissal among other matters
1995	Industrial Relations Reform Amendment Act 1995	Reduced some of the procedural fairness requirements of unfair dismissal law	Diluted procedural rights for employees in unfair dismissal matters
1996	Workplace Relations Act 1996	Howard Coalition Government's 'first wave' employment relations reforms	Regulates rule-making processes by the tribunal, individuals and through collective bargaining
2001	Workplace Relations Amendment (Termination of Employment) Act 2001	Among amendments to registration requirements for trade unions, the Act also tightens right of entry provisions for union officials	Removes some procedural rights in relation to unfair dismissal applications and imposes some procedural constraints
2002	National Workplace Relations Consultative Council Act 2002	Establishes a national council for the discussion of workplace relations matters	Establishes a mechanism for discussing employment relations matters between the federal government and the states
2005	Workplace Relations Amendment (Work Choices) Act 2005	Howard Coalition Government's second wave of reforms	Regulates rule-making processes by the tribunal, individuals and through collective bargaining
2008	Workplace Relations Amendment (Transition to Forward with Fairness) Act 2008	Began the process of dismantling the Work Choices amendments	Removed access to AWAs and introduced Individual Transitional Employment Agreements (ITEAs) Reintroduced the no-disadvantage test for ITEAs. Established processes for creation of 'modern awards'
2009	Fair Work Act 2009	Replaces the Workplace Relations Act and the Work Choices amendments. Seeks to re-regulate employment relations and expands individual rights at work while restoring some protections for trade unions	Establishes Fair Work Australia as the successor to the A IRC. Introduces statutory employment standards and restores some unfair dismissal rights
2012	Fair Work Amendment Act 2012	Amends the Fair Work Act according to a number of recommendations from the Review Panel	Areas amended included unfair dismissal lodgement times, and cost orders; changing the title of Fair Work Australia to the Fair Work Commission and removing the ability to award costs in relation to appeals under the Act

Table 3.10 Australian Industrial Relations Legislation 1988 - 2012 *Adapted from Bray et al., 2015*

The legislative changes introduced by Work Choices saw the industrial strength of unions decline significantly. Falling membership, the harsh legal environment and the renewed anti-union approach of some employers were also combining to lessen the industrial strength of Australian trade unions. Formerly moderate employer associations were advocating for neoliberal policies after the Work Choices legislation came into effect, while large employers (e.g. Commonwealth Bank, Telstra, Qantas and BHP), who had previously adopted cooperative approaches to the unions, were increasingly inclined to challenge unions on industrial issues and to establish 'de-collectivised' employment relations in their workplaces (Cooper & Ellem, 2008; Cooper, 2009). Constrained by the new legislation and the industrial relations environment created by it, trade unions were only able to take industrial action in a limited range of circumstances. The challenges to the effectiveness of the trade union movement that came with Work Choices included the potential for employers to replace collective bargaining with individual contracts, and the ability of unions to enforce collective agreements was weakened. The process of unions taking legal industrial action was made more difficult, and the penalties for taking illegal action were increased. Work Choices made it harder for unions to represent and to defend individual members, and the unions' ability to gain access to, and to organise in, non-union workplaces was severely reduced (Cooper, 2009; Cooper & Ellem, 2008; Bramble, 2008).

3.5.3 2007-2013

The transition from the Howard Liberal Coalition government to the Rudd Labor government in 2007 brought with it an unwinding of the 2005 Workplace Relations Amendment Act. The 2008 Workplace Relations Amendment (Transition to Forward with Fairness) Act stared this process. By 2012 Australian union membership had risen to 1,840,000 from the figure of 1,696,000 in 2007 during the period of the Rudd Labor

government. However, union density, during the period 2007-12 was trending 'slightly downward' (Bailey & Peetz, 2015, p. 404) from 19%to 18%.

The Abbott Liberal Coalition government was elected on 7 September 2013 and industrial relations policy was less far reaching than the Work Choices legislation. The focus of the Abbot Liberal Coalition government policy was on 'improving' the 2008 Act, rather than making wholesale changes in areas such as minimum standards, unfair dismissal or bargaining (Peetz, 2015). The Turnbull led coalition government has largely maintained the industrial relations policies of the Abbott period, focussing on reform in the building industry and the trade union movement with the introduction of the Registered Organisations Bill and the Australian Building and Construction Commission (ABCC) (Forsyth, 2017).

Year	Members ('000)	Members as % of total employees
1988	2536	42
1990	2660	41
1992	2507	40
1993	2377	38
1994	2283	35
1995	2252	33
[A] 1996	2194	31
1997	2110	30
1998	2038	28
1999	1878	26
2000	1902	25
2001	1903	25
2002	1834	23
2003	1868	23
2004	1842	23
2005	1912	22
2006	1786	20
2007	1696	19
2008	1753	19
2009	1835	20
2010	1788	18
2011	1835	18
2012	1840	18

Table 3.11 Number of Trade Unions in Australia and Union Membership. Source: ABS - Trade Union Members Australia, Cat No 6325.0, Trade Union Statistics Australia Cat No 6323.0

(A) From 1997 onwards, the ABS no longer collected data on the number of unions. Previous ABS series that collected data on trade union statistics were discontinued after 1996 and trade union data was incorporated into ABS series 6310.0 Employee Earnings, Benefits and Trade Union Membership.

	Duration of current trade union membership				
	Less than 1 year	**1 to less than 5 years**	**5 years or more**	**Total trade union members**	**Trade union members as a proportion of all employees**
Selected industries	%	%	%	'000	%
Mining	[(i)]14.5	31.2	54.4	32.2	20.4
[(iii)]Manufacturing	**7.5**	**22.7**	**69.8**	**196.1**	**21.0**
Electricity, gas, water and waste services	[(ii)]2.8	[(i)]15.8	81.4	49.0	40.6
Construction	12.7	33.1	54.2	120.3	18.1
Retail trade	21.0	41.9	37.1	160.0	15.2
Accommodation and food services	[(i)]23.9	38.2	37.9	32.8	4.8
Transport, postal and warehousing	9.2	27.0	63.7	152.5	31.9
Professional, scientific and technical services	[(ii)]5.8	[(i)]34.4	59.8	23.1	3.7
Administrative and support services	[(i)]16.5	[(i)]33.3	50.3	24.1	8.6
Public administration and safety	7.1	22.5	70.4	244.0	38.1
Education and training	7.8	20.9	71.4	321.2	41.6
Health care and social assistance	8.9	29.4	61.8	311.7	27.3

Table 3.12 Employees who are trade union members, Duration of membership and proportion of all employees - by selected industries – August 2009

(i) estimate has a relative standard error of 25% to 50% and should be used with caution

(ii) estimate has a relative standard error greater than 50% and is considered too unreliable for general use

(iii)Car making is in the manufacturing sector

Adapted from ABS, Employee Earnings, Benefits and Trade Union Membership, Australia, August 2009 (cat. no. 6310.0).

3.6 Unions in the Automobile Manufacturing Sector

The main unions representing employees in the Australian automobile industry were: the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union (AMWU) vehicle division, metals division and the technical supervisory and administrative division, the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia (CEPU), the Australian Workers Union (AWU), the Association of Professional Engineers, Scientists and Managers (APESMA), the National Union of Workers (NUW) and the Australian Municipal, Administrative, Clerical and Services Union (ASU). Of these the greatest membership was with the AMWU.

As part of a widespread series of union amalgamations, in part driven by the Hawke-Keating Labor government ambitions to reduce industrial relations complexity by defining a limited number of industries and an associated limited number of industrial unions (Bramble, 2008), the unions representing automobile manufacturing workers underwent a series of mergers. The AMWU is the result of a series of amalgamations between three metal trade unions - the Boilermakers and Blacksmiths Society of Australia (BBS), the Sheet Metal Working Industrial Union of Australia (SMWU) and the Amalgamated Engineering Union (AEU) - to form the Amalgamated Metal Workers Union (AMWU) in 1972. At its formation the AMWU had a membership of 171,000, making it the largest organisation in Australia by membership (Bramble, 2008). The Amalgamated Metal Workers Union merged with the Federated Shipwrights and Ship Constructors Union of Australia, resulting in a name change to the Amalgamated Metal Workers and Shipwrights Union (AMWSU). A subsequent merger with the Federated Moulders' (Metals) Union amalgamated in 1983, changed the union's name to the Amalgamated Metals Foundry & Shipwrights' Union, however, in 1985 the name reverted to the Amalgamated Metal Workers' Union.

A 1991 the AMWU joined with the Association of Draughting Supervisory & Technical Employees (ADSTE) to become the Metals and Engineering Workers' Union. In 1992 a further amalgamation with the Vehicle Builders Employees' Federation of Australia resulted in the Automotive Metals & Engineering Union. The mergers continued through the early 1990s and in 1994 the union again merged with another entity, the Confectionery Workers' and Food Preservers' Union, which had recently emerged as the result of an amalgamation of the Food Preservers' Union of Australia and the Confectionery Workers' Union of Australia, to form the Automotive Food Metals and Engineering Union. Finally, the Printing and Kindred Industries Union amalgamated to form the printing division of the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union.

While Australian trade union density has fallen from a highwater mark of 40.5% in 1990 to below 28% in 2016 (ABS) the automobile manufacturing sector had maintained close to 40% in the face of these falls (ABS). In the case of CarCo, the union representing workers in the organisation is the AMWU.

3.7 Summary

The rapid decline in Australia's competitiveness in the 1970s, and 1980s set in motion a series of wide ranging reviews and reforms of the centralised framework of economic and industrial structures and policies. The Jackson Committee Report (1975) was instrumental in drawing attention to the condition of Australian industry (particularly manufacturing) and the "associated industrial relations and performance problem" (Costa & Duffy, 1991, p.66). The objectives of increased productivity and efficiency within an increasingly deregulated domestic and global market dominated the reform agenda through the 1980s and 1990s. The reform agenda of the 1980s and 1990s focused on policies to facilitate micro-economic

reforms of the labour markets creating a unique blend of regulation and flexibility. The Accords provided a framework for restructuring and reforming Australian labour market policy during this period. In association with a downward trend in tariffs and other forms of industry protection, the focus of the Liberal Coalition governments in the first decade of the 2000s was on reforming the Australian industrial relations. The apogee of the Howard Liberal Coalition government was the Workplace Relations (Work Choices) Act 2005, which set tight regulations on the rule making processes and established a preference for direct negotiation with individual employees to the exclusion of third parties (unions). Subsequent legislation (Workplace Relations Amendment Act 2008, Fair Work Act 2009, the Fair Work Amendment Act 2012 and the Fair Work Amendment Act 2015) introduced by the Rudd/Gillard Labor government and the Abbott Coalition government have wound back some of the elements of the Work Choices legislation.

Consequent to the reforms of the Australian economy, industry policy specifically addressing the impact of change on the automotive industry has been introduced by both Liberal Coalition governments and Labor governments. Australian governments have provided assistance to the Australian car industry to support it to adjust to the changing level of competition brought about by economic reforms. The aim of industry assistance schemes was to provide Australian manufacturing with some shelter from global competition while it restructured to become globally competitive, to become export oriented rather than focus on import replacement. The Automotive Competitiveness and Investment Scheme (ACIS) is an example of this assistance. The ACIS was designed to reward higher performing firms that invested in local manufacturing and demonstrated innovation.

The Automotive Transformation Scheme (ATS) was developed to replace stage 3 of the ACIS in 2011 (ACIS had been scheduled to run between 2011 and 2015). The ATS was designed to offer transitional support to the automotive manufacturing industry over the period 2008-09 to 2020-21. Budgetary assistance was also being provided to the automotive manufacturing industry under such schemes as the New Car Plan. The automotive manufacturing industry was also provided assistance through other mechanisms, such as government preferential purchasing policies and generally available Australian Government assistance measures, such as tax concessions for eligible research and development activities and export facilitation programs. The Luxury Car Tax and restrictions on the importation of used (second hand) vehicles also benefitted the automotive industry.

Increasingly, assistance to the automotive manufacturing industry over recent years has been in the form of budgetary (government grants and other assistance) rather than protection via tariff assistance, balancing the exposure to competition from cheaper imports with government help (Davey, 2011). According to the Productivity Commission (2014), it is estimated that about $30 billion (in 2011-12 dollars) was provided to the automotive manufacturing industry between 1997 and 2012.

The policies which shaped the Australian labour market during the 20th century and the first decade of the 21st century have set the scene for the development and decline of the Australian automobile manufacturing industry.

The overarching pressure on the Australian automobile manufacturing industry since the 1970s has been the systematic reduction in tariffs on imported automobiles and automotive components. The fall from over 45% at their highpoint to 5% in 2015 placed a significant

strain on the industry and forced management to reframe their relationship with the workforce.

At the same time that tariffs were falling the Industrial Relations policy landscape was changing from an inflexible, but predictable system of centralised wage fixing to a more flexible system of enterprise level bargaining. By moving to an enterprise level system, the ability to bargain effectively with the workforce to gain increased productivity could potentially become a competitive advantage.

The move to enterprise level bargaining, with the exception of the Work Choices legislation, maintained a formal, de jure role for trade unions in the bargaining process. With high levels of union membership, the Australian automobile manufacturing industry would by necessity need to recruit the support of the unions representing their workforce if any changes to workplace practices were to be achieved. This dependence on union support for management-initiated workplace change aligns with Research Proposition two of this thesis, which proposes that at the level of the enterprise, effective employee voice is dependent on strong cooperative management-union relations.

These same policy settings have also framed aspects of the research questions for this thesis. The changes to the Australian automobile manufacturing industry brought about by the reduction to import tariffs and the opening of the Australian market to increased levels of foreign competition brought about macro level change outside of organisations and micro level changes within. As presented in Chapter 2, the employee participation, employee voice literature highlights the influence of changing external and internal factors on the development of employee voice schemes within organisations (see Holland et.al., 2009;

Mowbray et. al., 2014; Mowbray et. al., 2019). The pressure on Australian automobile manufacturers to increase productivity, increase quality and reduced costs motivated organisations to seek greater flexibility and engagement with production quality from their workforces. At the same time, changes to industrial relations policy placed greater emphasis on enterprise level negotiations that at any other time in Australia since the beginning of the 20th century. These macro level changes and major competitive environmental influences can reasonably have been expected to shape the form and nature of employee participation and employee voice at CarCo. The influence of national policy on both trade, and industrial relations affecting the automobile manufacturing industry outline in this chapter, therefore, contributed to the development of research questions 1, 2, 3 and 4;

RQ 1. How has employee voice developed and evolved in the organisation studied?

RQ 2. Do employers and employees support the proposition that mechanisms of employee voice have had a positive effect on the organisation?

RQ 3. What mechanisms for employee voice exist in the organisations?

RQ 4. Have there been changes to the organisation's approach to employee voice?

The ability of employee voice to enhance organisational effectiveness is of critical importance in developing and maintaining an employment relationship built on trust. Thus, the behaviours of management are critical in workplace governance, as well as in the employees' experiences of the workplace and the effectiveness of voice mechanisms. It can be reasonably expected that employees will continually assess a range of management behaviour and will ascribe an interpretation of intent to those behaviours. The influence of cooperative union-management relations in Europe and the UK (Bryson, 2001) shows that positive cooperative relations based on a (genuine) partnership between employees and employers can improve organisational performance and the employee satisfaction (Guest, 1997). Positive union - management relations have also been linked to enhanced

organisational commitment, where they are supported by consultation, information sharing (Holland et al., 2012). Research questions one, two, three and four (RQ 1, RQ 2, RQ 3 and RQ 4) outlined above and in Chapter 1 of this thesis, are intended to explore this important aspect of the development of employee voice in an Australian manufacturing organisation. By testing the main arguments in the literature in the context of an Australian manufacturing organisation, this thesis will be contributing to the discussion in the literature by providing case study examples of the development and operation of employee voice.

The following chapter will present a detailed description of the development of the Australian automotive manufacturing industry which is coming to the end of its production life-cycle. The three remaining major car makers have announced the end of their manufacturing operations in Australia, by late 2017. Chapter 4 focusses on the antecedent industry conditions, the current broad policy and industry influences as the backdrop to the investigation of the development of employee voice at CarCo.

Chapter 4 The Impact of the Australian Government on the Automobile Industry in Australia

4.1 Chapter aims

Chapter four will present a detailed description of the development of the Australian automotive manufacturing industry. The automotive manufacturing industry in Australia, which has been subject to significant challenges since the 1980s, has finally come to the end of its production life-cycle. Three of the remaining major car makers have announced the end of their manufacturing operations in Australia; by late 2017 all three firms ended automobile production. This chapter focusses on the antecedent industry conditions, the current broad policy and industry influences as the backdrop to the investigation of the development of employee voice at CarCo.

4.2 Introduction

This chapter will firstly present an exposition of the way the car industry has developed in Australia which will then be followed by a detailed summary of the key industry and policies which influence the operation of the automobile manufacturing industry in general and CarCo operates.

Globally, the automotive industry is complex and is made up of manufacturers and several tiers of component suppliers, spanning a wide array of sectors. Suppliers are categorised as being “first tier”, “second tier” and so on, depending on their closeness to the manufacturing process; first tier companies are the suppliers closest to the manufacturing process. Vehicles are manufactured by 55 automotive groups in over 50 countries; of these, only a dozen countries, including Australia, have the capability to design and build vehicles from conception to execution (Allen Consulting Group, 2013). The automotive industry has been one of Australia’s key manufacturing sectors as well as an important source of employment,

research and development. The increasing exposure of the Australian automotive industry to international competition has seen it develop to a point where during the mid-2000s it was competing successfully in global markets (ABS, 2004[1]). Global automotive manufacturing industry continues to undergo significant change, and thus motor vehicle producers in Australia have struggled to survive in the highly competitive global and domestic automotive markets. Consequently, the three major car makers remaining in Australia have announced that they will cease local manufacturing before the end of 2017 (Productivity Commission, 2015).

In May 2013 Ford Australia announced that it would close its manufacturing facilities at Geelong and Broadmeadows in Victoria by 2016 (Ford press release, 23/5/2013). The Ford closure has been attributed to poor sales of locally produced vehicles, an incoherent export strategy and uncertainty over the future of government support for the industry (ABC, 22/5/2013). Arguably the catalyst for the subsequent cascade of dramatic closure announcements for the remaining Australian automotive manufacturers can be seen to be the recommendations contained in the Productivity Commission report into the Australian automotive manufacturing industry which questioned both the viability of the industry and the wisdom of continuing with government protection (Productivity Commission, 2014). The final version of the report was submitted to government on 31st of March 2014 and released to the public on the 26th of August 2014. However, draft recommendations were provided to government in the second half of 2013 as submission hearings were concluding (ABC, 31/1/2014). On the 6th of December 2013 Prime Minister Tony Abbott announced that there would be no further government support for the car industry in general and GM Holden in particular. As part of his submission to the Productivity Commission, the CEO of GM Holden, Mike Deveraux, had not yet decided to continue manufacturing in Australia in light

of the government decision to cut subsidies (Productivity Commission, 2014; ABC, 10/12/2013). The point at which the Abbott Liberal Coalition government explicitly showed its hand on the future of the industry is on the 10th of December 2013 when the Treasure Joe Hockey challenged GM Holden to commit to remaining a manufacturer in Australia in the face of uncertainty over ongoing government assistance. On the same day GM Holden announced that it would cease manufacturing operations in Australia by the third quarter of 2017 (ABC, 10/12/2013), in February 2014 Toyota also declared that it would also cease manufacturing operations in Australia by 2017 (ABC, 10/2/2014). Component manufacturers also face ongoing adjustment pressure and rationalisation. It is estimated by the Australian Productivity Commission that up to 40 000 people may lose their jobs as a result of the closure of the motor vehicle manufacturing plants and the rationalisation of firms in the supply chain. The Australian Productivity Commission goes on to suggest that it is likely that job losses will be staggered over several years (Productivity Commission, 2014).

The automobile manufacturing industry in Australia has been operating since the first decade of the 20th century. Initially the industry was engaged in building automobile bodies to be fitted to imported chassis/drivetrains and assembling imported "completely knocked down kits" of vehicles (Haigh, 2013). Australia's geographical distance from Europe and North America influenced the development of automobile manufacturing in this country, a combination of tariff protection and the cost of transporting fully built vehicles to Australia helped to grow and sustain a significant industry (Haigh, 2013). According to Lansbury et al. (2010) the development of automobile manufacturing in Australia has been closely related to state and federal government support for the industry through the mechanisms of tariff protection and regulatory provisions ensuring specified levels of local content be included in all vehicles entering the Australian market. The conditions created by a combination of post

second world war demand and a market protected by tariffs saw the establishment of several manufacturing facilities in the 1950s and 1960s, with a focus on manufacturing for the local Australian market and, as a consequence of that focus, relatively small production volumes (Lansbury et al., 2010).

By the 1970s cars were manufactured or assembled in Australia by more than ten organisations which included GM Holden, Ford, Australian Motor Industries (which assembled Toyota vehicles as well as Standard, Triumph, Rambler, Mercedes-Benz), Mitsubishi Motors Australia, British Leyland, Chrysler Australia (which made the Valiant range of vehicles), Nissan Australia, Renault Australia, Rootes Australia (which made the Hillman, Humber and Singer marques) and Volkswagen Australia. Various other car makers, including such names as Volvo, Peugeot, Mercedes Benz and Rambler had their vehicles imported as "completely knocked down kits" to be assembled in Australia and thus avoid tariffs and reduce shipping costs. By the late-2000s, following the demise of Mitsubishi in 2007, the number of companies had fallen to three car makers, GM Holden, Ford and Toyota (Australian Productivity Commission, 2015; Haigh, 2013; Lansbury et al., 2010).

4.3 Australian Automotive Industry Background

The growth in demand for motorcars in Australia in the first decade of the 20th century brought with it the promise of jobs and economic growth in a new manufacturing industry, this promise saw state governments compete for the emerging manufacturing facilities to be located in their states. The automobile manufacturing industry represented a combination of the industrialisation of the economy with the promise of skilled employment opportunities which could augment the skilled opportunities already offered by the more established industries of shipbuilding and rail transport (Lansbury et al., 2010). The 1914 – 1918 war

saw the Australian federal government introduced a ban on the importation of car bodies so that shipping capacity could be reserved for the war effort. With the supply of fully built imported automobiles cut off by war-time regulations, and a continuing domestic demand for motorcars, the combination of circumstances triggered the growth in small car body manufacturers which took the opportunity to satisfy the local market (Lansbury, 2010; Haigh, 2013).

Following the end of the 1914 – 1918 war, the federal government extended the war time regulations and established tariff barriers which restricted the importation of motor vehicle parts to protect the nascent local manufacturing industry (Lansbury, 2010; Haigh, 2013). This government intervention had the effect of helping to stimulate local manufacturing. Ford (Ford Canada) and General Motors both established Australian manufacturing facilities in conjunction with local Australian body makers to set up automobile manufacturing operations in Australia (Lansbury, 2010; Haigh, 2013). Ford went on to manufacture complete automobiles in Australia, and in 1925 it opened a production plant in Geelong Victoria, thus concentrating all domestic production in this state. In 1932 General Motors and the South Australian body maker, Holden, established the GM Holden Corporation; following World War II GM Holden developed a vehicle specifically for the Australian market, the 48-215. The 48-215 was in production between 1948 and 1953 and marked a significant shift away from assembling vehicles designed and/or partially built overseas, to a wholly designed, developed and built Australian car. Technically, the 48-215 marked a move away from a traditional 'body-on-chassis' and to a more modern 'unitary construction' body concept, where the body and chassis are integrated and built using pressed steel body panels. This method of automobile manufacturing demands the use of massive steel presses and very expensive press moulds (Haigh, 2013). Ford Australia continued to build English and

American designed vehicles into the 1960s, gradually introducing modifications and design refinements to the American Falcon. By the 1964 model of the Falcon the vehicle had become substantially Australian designed and engineered (Haigh, 2013).

The 1960s were a high point in terms of the number of manufacturers and models built domestically, with GM Holden, Ford, Chrysler, British Motor Corporation (BMC) and Volkswagen manufacturing cars, plus a range of other makes building vehicles from imported "completely knocked down kits" (CKDs) in Australia. However, by the 1970s Volkswagen and BMC had withdrawn. Nissan took over the facilities vacated by Volkswagen and Chrysler was taken over by Mitsubishi (Buxey and Petzall, 1991, p.8). The remaining five car makers (the Big Five) at the end of the 1970s were Ford, GM Holden, Nissan, Mitsubishi and Toyota. At the end of the 1970s the Australian automobile manufacturing industry still operated behind the protection of tariffs and regulations governing specified levels of local content in vehicles sold, as well as state and commonwealth government fleet purchasing policies that favoured locally built vehicles. A commonly held perception of the automobile industry in Australia during the 1960s and 1970s was that it was inefficient, lagged behind global technological trends, beset by frequent strikes and plagued by militant trade unions (Haigh, 2013).

4.4 Trade Unions

The high-water mark for Australian unions – when measured as the proportion of the workforce who are union members – was 1948, when 64.9 per cent of workers belonged to a union, by 1970 union density dropped to 49 per cent (ABS, catalogue no. 6325.0). It is argued that structural changes in the economy were substantially responsible for the change in union fortunes. Between 1954 and 1971 the percentage of the workforce engaged in highly

unionised blue-collar occupations fell from 61.1 to 49.5 per cent. Absolute membership fell in shipping and stevedoring, mining, agriculture and pastoralism, rail and tram transport and in building.

Bowden (2011) suggests that much of the decline can be attributed to mechanisation in industry, he cites for example the switch from steam to diesel power in the railways that eliminated coal jobs as well as those of rail workers and the negative impact of bulk-loading of grain on employment in the agriculture industry and on the waterfront. Bowden (2011) argues that the strength of the manufacturing sector saved the union movement from an even more precipitous decline stating that between 1954 and 1970 the number of unionised factory workers grew by 25.8 per cent.

However, manufacturing-based unions were severely affected by the recessions of the 1970s and 1980s as 200,000 factory jobs were lost between 1974 and 1984. In the light of widespread job losses, overall union density fell sharply, to 49.5 per cent by 1984. There is also a clear argument that more recent levels of declining union membership can be attributed to the hostile environment created by Federal government policies of the early 1990s (Peetz, 1998; Griffin & Svensen, 2002). Changes made by government have included the introduction of statutory individual employment contracts, reducing the powers of arbitral tribunals (Dabscheck, 2001) and limits on the unions' rights of entry (Pyman, 2004). However, the severity of legislation aimed at union influence currently in play can be, in part, traced to Labor governments of the 1980s and 1990s introducing legislation intended to modernise the economy and ease Australia into global markets.

In February 1983 the ACTU signed up to a corporatist suite of policies, the 'Accord', with the Federal Labor Party, agreeing to a return to centralised wage fixation. In return, the Labor Party promised, amongst a range of policy initiatives, 'an industry development policy' to reinvigorate manufacturing. The Hawke-Keating Labor government also adopted a broadly neo-liberal agenda, floating the dollar, reducing tariffs and privatising some government-owned enterprises (Bradford, Wilson & Fitzpatrick, 2000). The Accords brought the union movement into the centre of economic management in Australia, to be part of the stakeholder group consulted on economic policy and not just an element in the equation (Bray & Walsh, 1995). However, the Labor government also introduced reforms to the industrial relations system in Australia, bringing a shift from centralised wage fixing to enterprise level bargaining based on productivity gains. The system of "managed decentralism" (McDonald & Rimmer, 1989) arguably made union influence more diffuse and created fertile ground within which subsequent Liberal governments could sow the seeds of non-union bargaining and individual employment contracts.

Australian workplace unionism was built upon centralised wage fixing and arbitration, and it is argued that few unions were prepared for the way these were de-emphasised in the Australian Industrial Relations system towards the end of the 1980s and during the 1990s (Bowden, 2011). Even well organised unions suffered membership falls. The manufacturing sector fell to 21 per cent union membership by 2009 and union density fell from 85.2 per cent in 1996 to 46 per cent in 2009 in the coal industry (Bowden, 2011). If structural change in the economy had been the overarching cause of union decline between 1954 and 1970, this was not the case after 1986. Union density fell in every occupational group including mining and manufacturing – industries which had historically been highly unionised. By 2006, manufacturing accounted for only ten per cent of all jobs (Bowden, 2011).

The Australian Bureau of Statistics began to keep records of strikes in the "motor vehicles and parts" segment of the metal products, equipment and machinery branch of manufacturing industry from 1977 onwards. ABS figures for the level of industrial disputation in the decade between 1979 and 1988 shows that the incidence of strikes amongst the car makers was not exceptionally high. However, it is argued that there was an ever present backdrop of short stoppages and blockages to supply in the car making industry (Buxey & Petzall, 1991).

This is in contrast to the bitter and relatively protracted strikes that had taken place in the 1960s and 1970s, examples of which can be seen at the Ford Broadmeadows factory, which was the venue for large scale disputes which erupted in 1963, 1969, 1973 and 1981. The most significant, and perhaps singularly influential in shaping public perceptions of the confrontational nature of industrial relations in the industry, was in 1973, when an 11-week stoppage took place which included the occupation of factory buildings for six days, violence, rioting, and considerable damage to Ford property. The cause of the unrest has been attributed to various issues at the factory which include the poor treatment of non-English speaking migrant workers, management vigorously asserting their prerogative to unilateral decision-making, and overly zealous militant shop stewards. The spark that finally ignited the powder keg seems to have been a grievance over the damage done to the paintwork of employees' cars by fallout from a factory chimney. The local outcome at Ford was the emergence of a militant and tightly-knit shop stewards' movement at the Broadmeadows plant (Murphy, 1982, Buxey & Petzall, 1991; Haigh, 2013).

Following the 1973 strike it is reported that there was ongoing tension between the Broadmeadows shop stewards and the full-time Vehicle Builders Employees Federation

(VBEF) leadership, which came into stark relief in a six-week strike in 1981 in support of a wages claim, which was opposed by the Federal Executive. The shop stewards defied the VBEF leadership and orchestrated the six-week strike of the 4,500 workers at Broadmeadows. The stoppage was finally ended by a narrow margin in a compulsory ballot called by the Australian Conciliation and Arbitration Commission. A section of the stewards still tried to continue with the dispute, and there were accusations of a "sell-out" of the shop stewards by the union (Murphy, 1982; Buxey & Petzall, 1991; Haigh, 2013). One Ford shop steward is quoted by Murphy as saying, “Because of our union's policy to use the system as much as possible, and not to use the workers, the workers feel helpless; they've got no control over their lives” (Murphy, 1982 p.29).

In the wake of the tumultuous strikes of the 1970s and early 1980s, both the unions and car makers actively sought a less hostile environment, as it became clear that the survival of their industry was at stake. Following a conference with Government and employer representatives in 1985, the unions also committed to backing the Button plan for rationalising the automotive industry in the interests of stabilising employment (see Appendix 3). Significantly, the automobile manufacturing unions also supported the efforts of first Ford, then GM Holden, Mitsubishi, and Nissan, to improve job satisfaction through participative programmes based on the principles of quality circles and semi-autonomous work groups (Buxey & Petzall, 1991; Bamber, Shadur & Howell, 1991; Haigh, 2013).

The adoption of the Japanese manufacturing system “Just in Time” (JIT) by Australian organisations in the 1970s and 1980s also marked a change point for the automotive manufacturing industry. The principles of JIT broadly entail a shift in manufacturing philosophy and are sometimes explained allegorically in terms of the manufacturing process

being a ‘river’. Boulders on the river bed impede the flow of the river and are likened to delay points or disruptions in the manufacturing system in the way that they impede the flow of manufacturing. A traditional solution to overcoming these impediments has been for organisations to carry large inventories of inputs (raw materials and components brought in from external suppliers). To carry large inventories of components is likened to raising the height of the river flow to hide the boulders. JIT reduces inventory levels to the minimum capable of sustaining the flow of manufacturing, and, as is the case with reducing the level of a river, the boulders and other impediments are exposed. The aim of JIT is to identify and remove the impediments to the flow of manufacturing and to increase the efficiency of the system (Buxey & Petzall, 1991; Bamber, Shadur & Howell, 1991).

The JIT system also makes the manufacturer increasingly dependent on continuity of supply of components. In the Australian automotive industry this manifested itself as an increasing dependency on a domestic supply chain network of small to medium business with varying degrees of sophistication with regard to their relationship with organised labour. The situation was even more constrained by the Button Plan’s legislative requirements to meet specified levels of local content or suffer penalties in terms of tariffs (Buxey & Petzall, 1991). Whereas mutual self-interest, increasing competition from imports and the Accord brought the Big Five car makers and the unions together to forge a form of industrial détente, the situation for workers and managers in the myriad and critical supply chain companies was one where they continued to seek to settle their industrial disagreements under the old rules of confrontation with zero-sum outcomes (Buxey & Petzall 1991; Bamber, Shadur & Howell, 1991; Haigh, 2013). Disputes amongst the suppliers resulted in stand-downs and disruptions to supply for car makers. While Buxey and Petzall (1991) argue that the level of disputes in the supply

chain companies was greater than was the case for the car makers themselves, they point out that the disputes impacted negatively on the industry as a whole.

With the companies and unions engaging with each other constructively to address industry wide issues, rather than focussing on winning industrial battles, the role of governments to support the industry as it transitioned from its position behind high tariff walls into global competition became increasingly pivotal.

4.5 Government Subsidy in the Australian Automobile Industry

Industry protection 1970 to 2000

In the 1970s the Whitlam Labor government referred the question of car industry protection to the Industry Assistance Commission (IAC), which recommended phased reductions in tariff protection to 25 per cent (Capling & Galligan, 1992). The IAC recommendations were met with widespread hostility (Capling & Galligan, 1992) and the Whitlam Government instead increased protection in a package of measures beginning in January 1975, including:

- simplifying local content plans with an 85 per cent local content requirement with duty-free entry for the remaining 15 per cent,
- applying local content rules on a company basis rather than a model basis,
- increasing tariffs to 45 per cent, and
- introducing quotas to restrict imports to 20 per cent (Capling & Galligan, 1992).

Fragmentation of the automobile market was increased in 1976 when Nissan and Toyota were allowed to produce under the local content plans (Richardson, 1997). Responding to further import pressure, the Fraser Liberal Coalition government raised tariffs from 45 to 57.5 per cent on completely built-up units in 1978 (Richardson, 1997). Despite the high protection, Chrysler sold out to Mitsubishi in 1980 and Renault, the last of the low volume assemblers,

ceased its local assembly operations in 1981. While import quotas were initially intended as a short-term measure when introduced by the Whitlam Labor government in 1974, they remained largely intact for the next 13 years (Richardson, 1997).

The Fraser Liberal Coalition government minister for Industry and Commerce, Phillip Lynch introduced the Lynch Car Plan in 1981 which detailed industry arrangements to apply from 1984 (Capling & Galligan, 1992; Richardson, 1997). The IAC had initially recommended a tariff-only model of industry assistance, however, the eventual decision included earlier proposals put forward by GM Holden for an enhanced export facilitation scheme with export credits being expanded gradually to a 15 per cent ceiling (Richardson, 1997).

The Fraser government decision aligned with GM Holden's plans to develop a large four-cylinder engine plant to export engines to GM manufacturing facilities elsewhere in the world. Other features of the Lynch plan included a retention of the tariff at 57.5 per cent, and replacement of the strict quota system with a 'tariff quota' system which permitted out of quota imports of vehicles but at a penalty rate of 150 per cent to be phased down to 125 per cent by 1992 (Richardson, 1997).

In October 1983 the Hawke Labor government Minister for Industry and Commerce, Senator John Button, established tripartite Car Industry Council, and set for it the task of reporting on the long-term future of the car industry and to provide recommendation for improving efficiency. The resulting report in May 1984 included a plan for an automobile industry with 3 producers and 6 or fewer models being produced (Capling & Galligan, 1992; Richardson,

1997). The principle aspects of the Button Plan, which were intended to operate from 1985 to 1992, were:

- maintenance of the tariff at 57.5 per cent,
- increase in the import quota to 22 per cent but with the tariff on out-of-quota imports reduced to 100 per cent, to be phased down to the general tariff level of 57.5 per cent by 1992 at which point tariff quotas would become redundant,
- inclusion of light commercial and four-wheel drive (4WD) vehicles in the tariff quota system, and
- improved access to export facilitation (Capling & Galligan, 1992; Richardson, 1997).

The Button Plan was revisited in 1988 and the review recommended an acceleration in reductions in the level of industry protection. The falling value of the Australian dollar in the mid-1980s effectively reduced pressure on the automotive industry to adjust to the 1984 provisions in the Button Plan. For example, the value of the $A moved from 200 Yen at the beginning of 1985 and fell to 100 Yen by the end of 1986 (Capling & Galligan, 1992; Richardson, 1997). The mid-1988 revisions to the Button Plan included an immediate abolition of tariff quotas, a reduction of the general tariff to 45 per cent (reducing to 35 per cent in 1992) and a reduction in the tariff on light commercial and 4WDs from 35 and 25 percent respectively down to 20 percent (Capling & Galligan, 1992; Richardson, 1997).

In 1991, following the Industry Commission (which replaced the IAC) report, the arrangements for post-1992 industry plan were released. The new provisions aimed to further reduce protection in the years to 2000, with the main elements being a reduction of the general tariff rates down from 35 per cent to 15 per cent in the year 2000, reductions in the tariff on light commercials and 4WDs down from 15 to 5 per cent in 1996, and the retention

of a 15 per cent duty free entitlement for producers and export facilitation arrangements (Capling & Galligan, 1992; Richardson, 1997).

Much of the assistance received by automobile manufacturers making passenger vehicles and light commercial vehicles in Australia has been in the form of tariffs and other trade measures. After the release of the Australian Government's Motor Industry Development Plan (the Button Car Plan) in 1984, policy changes led to a reduction in tariff assistance (Lansbury et al., 2010; Haigh, 2013). The tariff rate on passenger motor vehicles and parts fell steeply at the rate of 2.5 percent annually from 1988 to 2000. Further, even steeper reductions of 5 percent occurred in 2005 and 2010 (Table 4.1).

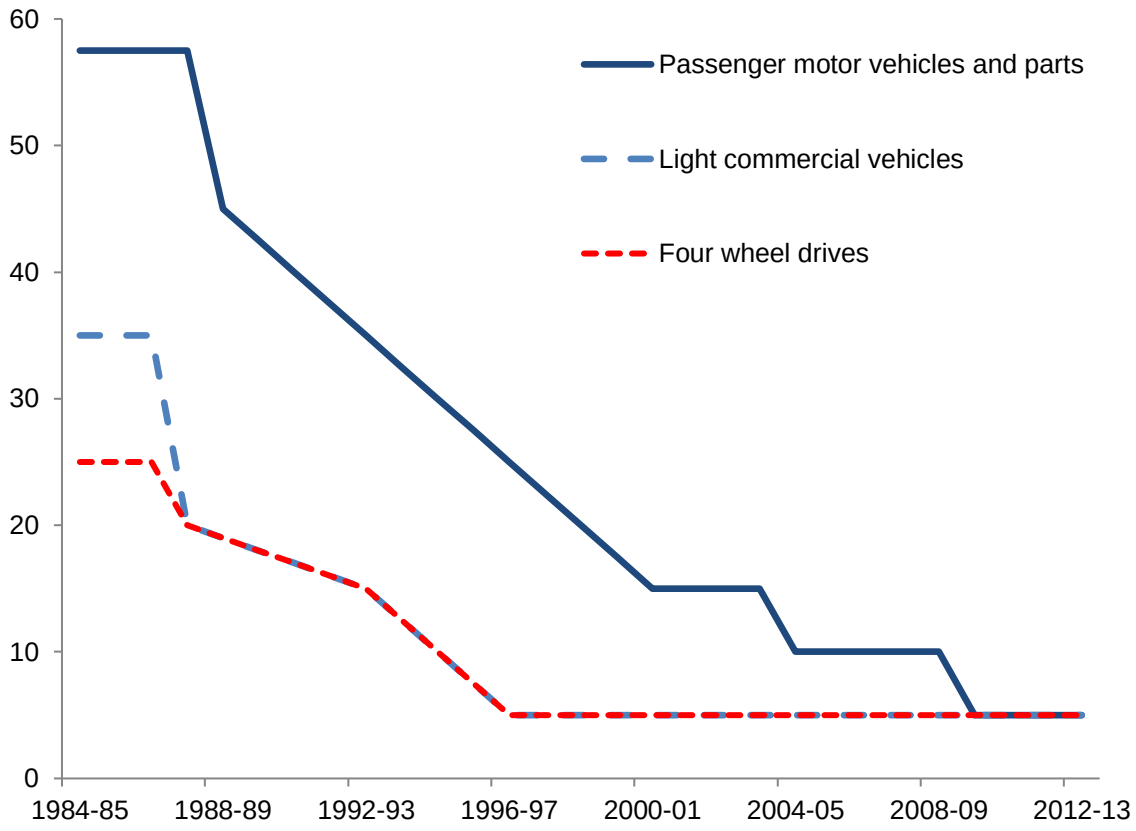

Table 4.1Tariff rates for the Australian automotive industry (Per Cent). *Adapted from the Australian Productivity Commission Report 2015.*

As stated in chapter 3, the 2014/2015 a general tariff level for the Australian automotive industry of 5% was applied to passenger motor vehicles, light commercial vehicles and four-wheel drives. This tariff rate also applied to complete vehicles, original equipment and replacement components. Lower tariff rates apply to imports from some countries, due to bilateral and regional trade agreements with the Association of Southeast Asian Nations (ASEAN), New Zealand, Chile, the United States, Malaysia, Singapore and Thailand (Australian Productivity Commission, 2015).

Country or region	*Tariff rate on passenger vehicles (%)*	*Tariff rate on commercial vehicles (%)*	*Tariff rate on automotive components (%)*
Japan	0	0	0
United States	2.5	0–2.5	0–2.5
Australia	5	5	5
Korea	8	10	8
European Union	10	22	3–4.5
Mexico	20	20	0–5
China	25	6–25	3–25
Brazil	35	35	0–18
Thailand	80	40	10,30
India	60–100	10	10

Table 4.2 Tariff rates for vehicles and automotive components in selected countries Sources*: Department of Foreign Affairs and Trade (11 December 2013); US Department of Commerce (2011); WTO (2013).*

With the falling level of tariff protection to the automotive industry there was an increased foreign competition in vehicles. In response to the influx of imported vehicles a series of industry specific measures were implemented by the Australian government to assist the industry to adjust to the changing level of competition. A feature of each assistance package is that it included a fixed, specific end date; according to the 2014 Australian Productivity Commission Report (see Appendix 4) the implied meaning of a fixed end date was that the industry would not receive ongoing assistance from government beyond that end date.

However, industry assistance packages have been extended, including the 2001 Automotive Competitiveness and Investment Scheme (ACIS).

The aim of industry assistance schemes was to provide Australian manufacturing with some shelter from global competition while it restructured to become globally competitive, that is to say, to become export oriented rather than focus on import replacement. Introduced in 1998 by the Howard Liberal Coalition government, the Automotive Competitiveness and Investment Scheme (ACIS) took effect in 2001 and was initially planned to run for five years. Anticipating further tariff reductions by the government of the day, the ACIS was extended to 2015 to provide additional transitional support to the industry.

With the 2007 closure of the Mitsubishi plants in South Australia the Automotive Transformation Scheme (ATS) was developed to replace stage 3 of the ACIS (which had been scheduled to run between 2011 and 2015) in 2011. The ATS is designed to offer transitional support to the automotive manufacturing industry over the period 2008-09 to 2020-21. From the middle 1980s to the 2010s, both the Labor and Liberal sides of Australian politics were producing budgetary policy to support the automotive industry and provide an environment for building a sustainable, export orientated car industry.

Budgetary assistance was similarly being provided to the automotive manufacturing industry through other programs under such schemes as the New Car Plan (see Appendix 5). The automotive manufacturing industry also garnered assistance through such mechanisms as government preferential purchasing policies and generally available Australian Government assistance measures, such as tax concessions for eligible research and development activities and export facilitation programs (Davey, 2011).

According to the Productivity Commission (2014), it is estimated that about $30 billion (in 2011-12 dollars) was provided to the automotive manufacturing industry between 1997 and 2012. Despite this, per vehicle level of subsidy provided to the Australian automobile industry is low when compared to automobile makers in other countries with comparable levels of economic development. Data presented in Table 4.3 show that direct subsidies to Australian automobile manufacturers at US$17.80 are lower than most and significantly lower than German (US$90.37), US (US$264.82) and Swedish (US$334.18) governments (Davey 2011). Increasingly, assistance to the automotive manufacturing industry over recent years has been in the form of budgetary (government grants and other assistance) rather than protection via tariff assistance, balancing the exposure to competition from cheaper imports with government help (Davis, 2011).

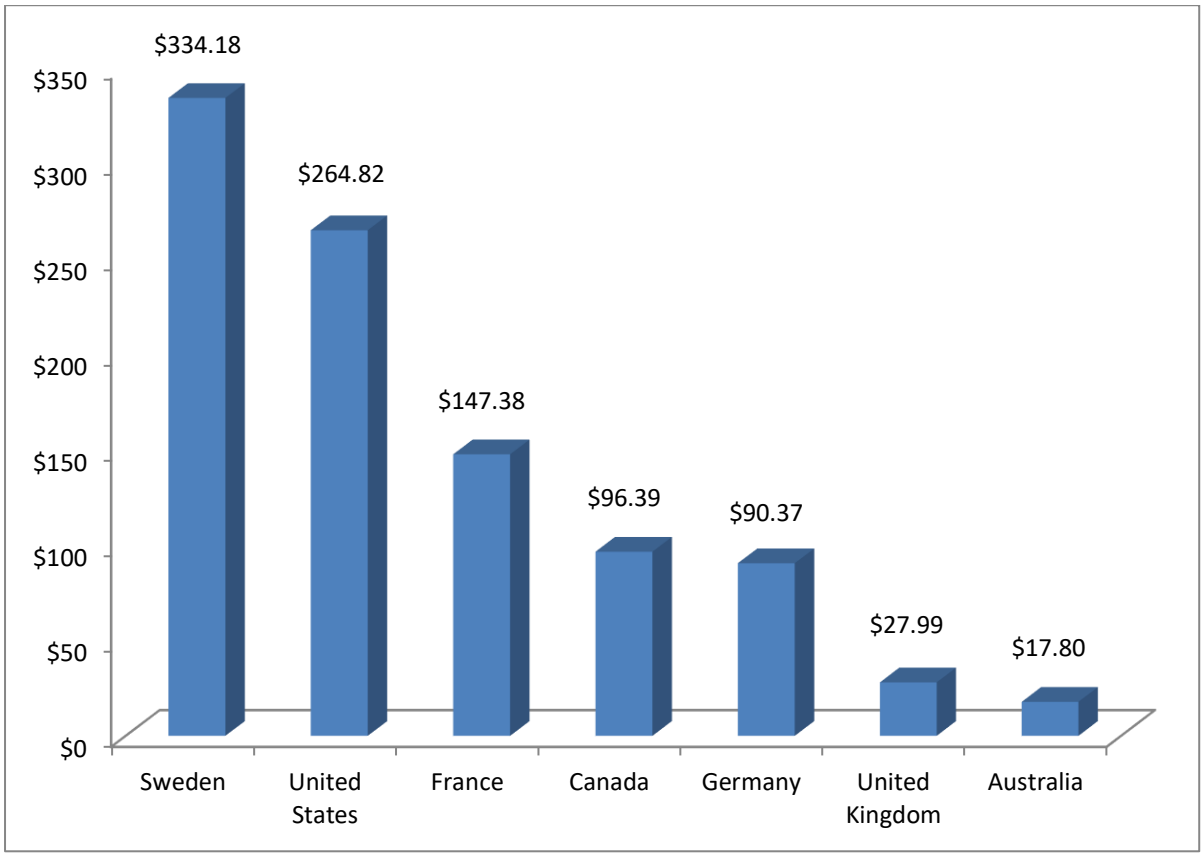

Table 4.3 Selected Per Capita Assistance for the Automotive Industry, US$ 2007 values, 2008 - 2009
Adapted from Davey 2011

The various Australian state governments have also from time to time provided incentives to the automobile industry (Productivity Commission, 2015; Haigh, 2013; Lansbury et al., 2010). State level subsidies exist in the form of government/industry co-investment grants provided by the Australian, Victorian and South Australian governments. However, the Productivity Commission suggests that publicly available information about such government assistance is patchy (see chapter 3 for details).

As detailed in chapter 3, automotive industry support is often provided at the state level as part of more broadly focussed state government initiatives for manufacturing industry in general. However, targeted programs do exist. The government of Victoria announced in October 2011 that funding would be made available for the Workers in Transition program to help retrain retrenched workers and in 2012, the Victorian government also allocated funding of $24 million to the Industry in Transition and Specialist Training Initiative to provide training for workers in the regions around Geelong and Broadmeadows who it was anticipated would lose their jobs following the end of Ford manufacturing in that state (Victorian Government Department of Business and Innovation, 2011).

Similarly, the South Australian state government announced a $15 million increase for the Automotive Industry Structural Adjustment Program to extend it up to 30 June 2018 as well as a $30 million Skills and Training Initiative to support Holden and Toyota workers to retrain while they are still employed. The South Australian state government points out that Holden and Toyota contributed $15 million funding each to this initiative (http://www.business.gov.au/grants-and-assistance/growth-fund). The government of Victoria released details of the Melbourne's North Region Innovation and Investment Fund (MNIIF) with a total funding of $24.5 million. The MNIIF is designed to provide support to cities in

the Melbourne northern region (Hume, Whittlesea, Moreland and Darebin) negatively affected by the decision by Ford to end production at the Broadmeadows factory (Victorian Government Department of Business and Innovation, 2011).

Automotive manufacturing workers make up around 20 per cent of the broader automotive workforce with approximately 45,000 workers in Australia directly employed in the automotive industry in 2013. A further 225,000 people were employed in associated occupations including the repair, maintenance and wholesaling of motor vehicles and parts (ABS, 2013).

As introduced in chapter 3, it is argued that Australia is among the highest automotive labour cost countries. Morgan Stanley (2013) research points to countries such as Germany, Australia, Japan and the United States as having significantly higher labour costs than developing countries and the US Bureau of Labor Statistics (BLS, 2013) figures show that Australia second only to Germany for automotive wage rates.

A critical and recurring challenge for the Australian automotive manufacturing industry is low production volumes (Lansbury, 2010; Haigh, 2013). The number of motor vehicles made in Australia is relatively small by global standards and has declined by almost half since 2004. The largest number of vehicles made in Australia in 2012 by one company was just over 100,000 and the lowest number made was by a single company was less than 40,000. The middle-ranked car maker (by production volume) produced just over 80,000 vehicles. The Productivity Commission (2014) has presented arguments suggests that a single car maker needs to be producing between 200,000 and 300,000 vehicles per year to be operating at a global cost competitive level.

The scale of Australian production is a significant issue facing the automotive manufacturing industry. The Productivity Commission has presented the view that an increase in vehicle production levels was a key issue for improving the long-term viability of the Australian automotive industry, with a suggested target minimum of 300,000 vehicles each year. This target could only be achieved if the total export from all Australian car makers was more than triple the 2014 level of 90,000 vehicles sent overseas.

The Australian market for new motor vehicles is about one million new vehicles across all market segments being sold each year. The Australian automotive market is also highly fragmented, with 66 vehicle brands competing for one million vehicle sales. This is an increase in the number of brands over little more than a decade, with 56 brands being offered to the market in 2003 (PC, 2014). In 2014, Australia exported approximately 90,000 vehicles, or 40 per cent of its total production of passenger motor vehicles (PC, 2014). Export numbers have fallen since the mid-2000s, however, due to an overall fall in the total number of vehicles manufactured, the export share of domestic production has remained around 30 to 40 per cent since 2001 (PC, 2014).

The high value of the Australian dollar in trade-weighted terms between 2000 and 2013 (RBA, 2013) impacted negatively on the Australian automotive industry by making imports cheaper for local buyers and making exports more expensive for foreign markets (PC, 2014).

The systematic reduction in the import tariff on motor vehicles and parts from 15 per cent to 5 per cent between 2000 and 2013 has also advantaged imported ahead of Australian manufactured vehicles. Where Australia has a bilateral or regional trade agreement, there is a

zero-tariff rate. Adding to the challenged of a strong Australian dollar and the lowering of tariffs, taxation policy, including payroll and company tax policy, has had negative affect on the automotive industry with specific taxes aimed at the car industry such as the luxury car tax and fringe benefits tax exemption for certain classes of commercial vehicles (PC, 2014).

Various government schemes have been introduced to assist the industry to adjust. These include the Automotive Competitiveness and Investment Scheme (ACIS), which was implemented in 2001; in 2011 the ACIS was replaced by the Automotive Transformation Scheme (ATS), which was part of a program that committed $6.2 billion for the automotive manufacturing industry. The Green Car Innovation Fund was reduced by $200 million in the 2010-11 federal budget in response to lower than expected demand. Later in 2011 the early closure of the Green Car Innovation Fund was announced to help fund Queensland flood recovery.

4.6 Conclusion

The Australian automobile manufacturing industry has nearly completed its lifecycle when considering mass-market manufacturers. As an early adopter of the new technology of automobiles in the late 19th century, Australia quickly acquired and developed the technological capacity to first maintain, then design and build vehicles in this country. The first decade of the 20th century saw a rapid growth of the automobile industry, fuelled in part by demand from a relatively affluent population as well as by interstate rivalry as State governments competed to attract the nascent industry to their cities. The association between automobile manufacturing and economic growth was a constant theme throughout the first decades of the 20th century.

The Federal government prohibition on the importation of fully built automobiles during the 1914-1918 war had a stimulatory effect on the Australian industry. Building bodies for imported rolling chassis ensured that job opportunities were created for the skilled workers required to utilise a full suite of automobile building skills. The increasingly ubiquitous presence of motor vehicles in cities and rural centres ensured that a similarly skilled workforce of mechanics, as well as repair and maintenance workers were also earning and contributing to national economic growth.

The period following the 1914-1918 war also saw broader protectionist economic policies assisting the nascent automobile manufacturing industry by placing substantial tariff protection around the industry as it established itself. The distance from European and North American markets and the cost of transport from them to Australia, combined with tariff protection, encouraged foreign investment in the Australian industry as a way of avoiding both transport and tariff costs. By the 1930s this had translated into direct foreign investment in joint ventures and wholly owned subsidiaries set up to manufacture automobiles in Australia. General Motors joined with the South Australian company Holden to form GM Holden, and Ford (Canada) built a major manufacturing plant in Geelong to form Ford (Australia).

Almost in anticipation of the post-war economic boom, GM Holden released the first Australian designed and build automobile in 1948, the 48-215 using what were then state of the art manufacturing technologies. The post-war boom carried the Australian automobile manufacturing industry for more than two decades. Protected by substantial tariffs and the cost of transport from foreign manufacturing plants, the Australian industry enjoyed a golden age of growth and prosperity. The industry as a whole was seen by the community as being

complacent, slow to adopt new technology and new quality standards. The community view also included the perception that the industry was riven by strikes and held to ransom by militant trade unions. Despite the lack of solid evidence to prove the negative influence of unions, strikes in supplier organisations caused lost production and lay-offs at the carmakers; this was associated large and dramatic disputes at the carmakers' factories.

Economic shocks in the 1970s caused by a combination of oil price fluctuations and global economic factors put pressure on Australian manufacturers. Several carmakers left the Australian market in the 1970s and left only five major manufacturers by the end of that decade. The 1980s was the decade that saw major changes to the economic environment and the Australian automobile manufacturing industry began to be exposed to international competition as tariffs were lowered as part of wide-ranging reforms in the Australian economy. By the 1990s the Australian carmakers were forced to become export oriented, catch up on global technological trends and address quality issues, both real and perceived, with the locally made cars. It is in this period of forced and dramatic change that CarCo embarked upon a project to engage with the workforce and unions in order to introduce changes to work practices designed to address quality and productivity in their organisation.

Chapter 5 will provide a detailed case study of the CarCo organisation and the role of employee voice in the development of high-performance work practices at CarCo. Firstly, the following chapter will state the rationale for this research through the research question and propositions. Secondly, the following chapter will explain the research methodology framework adopted in this thesis. Thirdly, the following chapter will outline the process and protocol of the research methodology which guides this research, defining the procedures used to collect and analyse the data.

Chapter 5 Research Design and Methodology

5.1 Chapter aims

The aims of this chapter are to; firstly, state the rationale for this research through the research question and propositions; secondly, to explain the research methodology framework adopted in this thesis; and thirdly, to outline the process and protocol of the research methodology which guides this research, defining the procedures used to collect and analyse the data.

5.2 Rationale for the Research Design

This thesis aims to explore evolution of employee voice and to determine how it has operated in an Australian manufacturing organisation undergoing significant change. Measures of employee voice will also be used as indicators of management attitudes towards employee participation (Bryson, 1999; Benson, 2000; Pyman, Holland, Teicher & Cooper, 2010).

The research conducted for this thesis is justified on a number of grounds. Firstly, the literature reporting on the nature of employee - employer relations and employee voice is mostly emanating from the United States and the UK. Similarly, according to Pyman et al. (2010), there is a paucity of empirical in-depth case study research relating to Australian workplaces. To our knowledge this has not been undertaken previously in Australia. The contribution of the case study research findings of this thesis to the broader literature is that they will: inform the developing view of employee voice in Australia; achieve a more detailed understanding of expectations of employee voice vis-a-vis employer and employee workplace relations, that will help in the development of government, organisation and union

policy; and contribute additional case studies relating to employee voice to the body of national and international literature.

Building on the review of the literature on employee voice (in chapter 2), this thesis aims, through a major case study, to provide an exploratory study of the evolution and development of employee voice under changing conditions. The focus of this research is the analysis and assessment of a large Australian organisation, CarCo, which has been operated firstly in a protected domestic environment to an increasingly intensely competitive and dynamic international and domestic environments and which at the time of writing has seen it ultimately moving to end manufacturing operations in Australia. Through an in-depth investigation, the research examines how this organisation has restructured its work practices to move from a traditional model of employee relations and employee representation to an efficient, globally oriented organisation and subsequently to an organisation winding down operations.

The research in this thesis examines, through an in-depth case study investigation, how CarCo has developed structures, policies and practices which enable and support employee voice over its manufacturing period of 70 years. These structures, policies and practices which enable, and support employee voice are explored in the study and categorised under the headings:

- Factors shaping employee voice
- Industrial and Employee Relations; and
- Human Resource Management

Building on existing knowledge this thesis allows for an in-depth examination of the development of the types and extent of employee voice structures and practices as they evolved through the framework of employee participation at CarCo. It also provides an analysis of the factors and determinants influencing or inhibiting the development of employee voice structures and practices. The in-depth and qualitative nature of the case study research method allows the researcher to investigate the influence of internal and external variables on the development of employee voice at CarCo. Whilst acknowledging that the researcher's own beliefs and points of view will have had some influence on the development and interpretation of this research, the use of multiple sources of data and references ensures this effect is limited (Gagnon, 2010; Yin, 2012; Yin, 2009; Babbie, 2007).

The contextual analysis underlying the review suggested that a combination of external factors and internal factors are influential in the development of employee voice at CarCo. The external factors include industrial relations legislation, government policy and market conditions, whereas the internal factors include management/union relations and management policy and practices. It is important therefore to include these variables in the analysis to allow for a more in-depth understanding of the research data (Denzin & Lincoln, 2011).

Examining both the internal and external factors influencing the development of employee voice at CarCo validates and strengthens the conclusions that can be drawn from a record of events; it also reduces the problems associated with researcher bias (Miles, Huberman & Saldana, 2014). The exploratory nature of this research, and the unresolved issues developed from the literature review, required the development of questions and propositions that were both specific enough to focus on the development of employee voice at CarCo, and also broad enough to reflect the nature and context of the environment within which the case-

study organisation operates. To achieve this aim the Research Question and Propositions outlined in the following section of this chapter were developed.

5.3 Research Questions

Analysis of the literature on employee voice indicates the importance of developing an in-depth study of structures and practices enabling and supporting effective employee voice. The purpose of this study therefore is to examine the emergence of employee voice using the extant literature to establish a framework of analysis. A qualitative approach was adopted in order to explore the development of employee voice at CarCo. The Research Questions and Propositions are:

Research Questions

The thesis will ask four basic questions:

RQ1 How has employee voice developed and evolved in the organisation studied?

RQ2 Do employers and employees support the proposition that mechanisms of employee voice have had a positive effect on the organisation?

RQ3 What mechanisms for employee voice exist in the organisation?

RQ4 Have there been changes to the organisation's approach to employee voice?

Two propositions were identified as relevant to this research on employee voice and investigated in this thesis. These propositions are shown below:

Proposition 1

P.1 In an increasingly competitive environment an organisation will seek to harness employee knowledge and skills through the development of organisational mechanisms facilitating and supporting employee voice

Proposition 2

P2 At the level of the enterprise, effective employee voice is dependent on quality cooperative management-union relations.

In examining the research question and propositions identified above, the thesis investigated:

- An organisation which has and is undergoing significant change;
- The environment within which the enterprise to be studied operates, including industry characteristics;
- The workplace relations, policies and practices within the organisation;
- The role of interested third parties.

The question and propositions allow for the parameters of the study to be defined, whilst accepting that they are not exhaustive. This ensures that while the analysis is comprehensive, the research remains focused and manageable (Miles, Huberman & Saldana, 2014). In this context, the research question and propositions are designed to focus this exploratory research and highlight the key issues and factors affecting the development of employee voice structures and practices at the level of the enterprise.

Due to the emotional impact of the closure of manufacturing announcement and the potential for conflict and hostility generated by the process of CarCo closing manufacturing operations, and the commercial sensitivity of several of the issues discussed, anonymity was guaranteed to all interviewees. A structured interview questionnaire was initially developed for this research. However, when the interviewing process commenced the structured questionnaire proved to be too narrow in the scope of questions asked and was quickly modified to a semi-structured approach in which the key areas identified in the research questions and propositions were used as introductions to the topic areas.

5.4 Research Methodology

The research methodology required to undertake this research needed to be able to facilitate the exploration of employee voice within a complex and dynamic organisation as well as being able to undertake a theory-testing approach of the theoretical constructs identified and discussed in the literature review. In this context, the extant literature indicated that the case study methodology is the preferred approach for contemporary research within an organisational setting (Morgan & Smircich, 1980; Lee, 1999; Yin, 2009; Tsang, 2014). There is extensive debate on the appropriateness and rigour of qualitative methodology (Gagnon, 2010; Gerring, 2007; Hamel, 1993; Storey, 2007), however, Gagnon (2010) argues that because of the complex nature of case study research and lack of control the researcher has, rigorous data management is even more important in qualitative analysis than it is for quantitative research. Supporting this point Yin (2009 p.3) notes: "The case study is the method of choice when the phenomenon under study is not readily distinguishable from its context". In concurring with Yin, Tsang (2014) argues that case studies have merits over quantitative methods in terms of theoretical generalization, identifying disconfirming cases and providing useful information for assessing the empirical generalizability of results.

5.4.1 Establishing the Basis for Case Study Research

The significance of case study methodology is well established in the field of organisational research (Tsang, 2014; Yin, 2009; Gerring, 2007). Lee (1999) argues this is because of the suitability of case study methodology for addressing the complex and dynamic nature of organisational research. In such an environment standard experiments are generally seen as impractical or needing to be extraordinarily complex because of the requirements of control and manipulation of variables.

In contrast to the experimentation approach, a case study methodology allows for the integration of organisational context with a longitudinal approach to organisational analysis (Gagnon, 2010). Case study methodology provides the opportunity to use multiple sources of data to capture the role and perspectives of the stakeholders as they interact, evolve and change over time as well as the dynamics of a changing organisation (Miles, Huberman & Saldana, 2014). In addition, the case study strategy is particularly appropriate in new areas of research, allowing for the generalising of theory (Tsang, 2014), in the context of this research, this applies to the development of employee voice at CarCo. The case study approach is also particularly useful where the research focus is exploratory and theory-testing (Yin, 2009, 2012). The case study approach builds on the processes within the organisation being analysed and allows for the investigation and appraisal of causal relationships between theory and practice (Gagnon, 2010; Dul & Hak, 2008). Case study research allows for noteworthy events involving workplace change and the development of employee voice over time to be analysed and the context to be understood. Case study design acknowledges the "open-ended" nature of social science research, allowing for more effective research and understanding of the situation(s) (Tsang, 2014; Gagnon, 2010; Babbie, 2007). Within the scope of this research, these criteria are particularly important in that both the case study organisation and the external environment are in periods of dynamic change. As early as 1995 Michelson and Baird pointed out that:

> The context of industrial relations in Australia is undergoing rapid and significant change and has led to a proliferation of research areas. The degree to which case studies are currently addressing a host of industrial relations topics, such as workplace change, union restructuring, management strategy, occupational health and safety, new technology and enterprise bargaining and its labour market implications, suggests it is both timely and appropriate (1995, p.127)

Holland et al. (2011) restate the same view that with the ongoing changes in industrial relations there is a need for contemporary case study research of Australian organisations.

The focus of this research within a complex and dynamic environment supported the use of the case study as a method of research. The case study method allows for the observation and analysis of a complex subject as a single, integrated whole (Gagnon, 2010). It is only through this approach to data collection and analysis that the contextual elements of the research can be understood and incorporated into the study.

5.5 Conduct of the Research

The research followed the protocol recommended by Yin (2009 p.80) and consists of the following stages:

1. **Review of the literature.** Chapter 2 of this thesis provides a review of the literature of employee voice and the themes that are emerging in this area.
2. **Developing a Case Study Protocol.**
3. **Interview Format.** This was a major source of information for this investigation, providing both primary information and guiding the researcher in developing more in-depth research into the case study organisation. A semi-structured approach was taken to the interview format.
4. **Selection of Case Study Organisation.** A single in-depth case study approach to the research was undertaken. The selection of an appropriate case required an organisation that represents a critical test of existing theory, a unique event or a revelatory case to observe and analyse a new phenomenon. The selected case study organisation, CarCo, encompassed all these criteria.
5. **Gaining Access to the Case Study Organisation.** A formal written approach was made to the case study organisation and permission granted to undertake research.

6. **Researching the Case Study Organisation.** The research took place over an extended period and used a variety of sources.
7. **Analysis of Data Collection.** All the interviews were electronically recorded and written-up immediately after discussion. Where possible, triangulation of the data was undertaken by undertaking interviews with multiple interviewees on each visit to CarCo. This was identified as a significant step in enhancing the reliability and quality of the data.
8. **Case Analysis and Theory Testing.** This was the final phase of the case study analysis. The focus was on assessing the change in work patterns and practices through the framework of employee voice.

Each of these aspects is discussed in detail below.

5.5.1 Review of the Literature

A comprehensive review of the literature on employee voice was undertaken and provided a theoretical basis and contextual framework for the investigation of the development of employee voice at CarCo. The review of the literature is presented in Chapter 2.

5.5.2 Development of a Case Study Protocol

The role of the case study protocol is to provide an overview of the research, the procedures followed and the case study questions. As Yin (2009, p.80) notes, the research protocol is a major technique in increasing the reliability of case study research and is intended to guide the investigator in carrying out the case study. A case study protocol also highlights to the investigator where potential problems and issues may occur, including the research process and addressing the audience for whom the case study is being written in a planned and systematic way (Yin, 2009). This is important in guiding the focus of the research and providing an overview for those wishing to understand how the research was undertaken. It also facilitates the possibility of replication which strengthens the reliability of the findings.

Details of the major aspects of the case study protocol are outlined in the overview of the case study research presented below.

The objectives of this case study are to develop a contextual framework and an understanding of the factors which influenced the development of employee voice and to build a longitudinal perspective to the research. As a means of testing as well as developing theory, it is important in case study research to develop a retrospective and longitudinal approach to the research (Gagnon, 2010; Yin, 2009; Dyer, 1984). Therefore, this case study provides an opportunity to identify the development of employee voice at CarCo and its relationship to the conceptual framework of employee voice over an extended period.

5.5.3 Interview Format and Case Study Questions

Yin (2009) points out that the research protocol is a set of substantive questions reflecting the actual inquiry (p.79). The question and propositions developed for this research were generated from the literature review and through discussion first with academic colleagues at Monash University.

The reason for taking this approach to data collection is twofold. Firstly, the study of CarCo was a longitudinal one and therefore required a variety of sources of information to progressively build an understanding of employee voice at CarCo.

Secondly, the available data on employee voice is broad and complex and unlikely to be accessible from one particular set of employees or at a specific level within the organisation. Whilst middle and senior management provided the main source of information on the macro

level view of what changes took place, it was the supervisors and trade union representatives who provided information about the micro level experience of employee voice.

Similarly, outside sources such as the trade union movement, government agencies' reports and industry reports provided an unbiased confirmatory source. This allowed the investigator to confirm and collate various points of view in the analysis and construct a coherent set of events. This is important because it is possible that within the enterprise there may be various problems or issues regarding the exercise of employee voice that require further investigation.

In terms of validity and reliability, these multiple sources required that the researcher return to material gathered and to interrogate it in new ways, based upon information from different perspectives. This process also facilitated the development of new themes and relationships, as previously unclear relationships were identified and explored. Initially, a structured list of questions was developed for the interviews, however, this proved to be too rigid in relation to the rich and varied information the various informants provided and was replaced by a semi-structured approach focusing on specific issues and themes surrounding the organisation.

In addition, many interviews based at CarCo had to be rescheduled or undertaken in a series of shortened interviews and conversations due to time constraints on these informants. However, at least one extensive interview was undertaken with each of the people identified in Table 5.1 with a series of shorter interviews and follow-up conversations as and when required.

Interviewee	Location	Reason for Interview
Senior Human Resource Officer	CarCo Plant A	Senior HR role responsible for strategic and operational level employee communications programs at CarCo
Human Resource Manager	CarCo Plant A	HR role responsible for employee communications at an operational level
Department Manager	CarCo Plant A	Management perspective of management/employee communication
Department Manager	CarCo Plant A	Management perspective of management/employee communication
Department Manager	CarCo Plant A	Management perspective of management/employee communication
Front Line Manager	CarCo Plant A	Line management perspective of management/employee communication
Senior Human Resource Officer	CarCo Plant B	Senior HR role responsible for strategic and operational level employee communications programs at CarCo
Human Resource Manager	CarCo Plant B	HR role responsible for employee communications at an operational level
CarCo (AMWU) Senior Shop Stewards[2]	CarCo Plant A	Union role for operational level employee relations at CarCo

Table 5.1 List of Interviewees - CarCo[1]

[1] Note - During this period of data collection several employees were also interviewed informally mainly off-site. [2] A number of Senior Shop Stewards were willing to discuss matters at CarCo, but not to be identified or formally participate in being interviewed.

Interviewee	Location	Reason for Interview
John Camillo: AMWU State Secretary	Adelaide, South Australia	Senior union role for strategic and operational level employee relations at CarCo
Ray Sara: AMWU Official	Adelaide, South Australia	Union role organising Labour Adjustment (re-employment) programs for automobile industry employees in South Australia
Scott Batchelor: AMWU Vehicle Division	Adelaide, South Australia	Senior union role for strategic and operational level employee relations at CarCo

Table 5.2 List of Interviewees - third parties

5.5.4 Selection of a Case Study Organisation

The nature of this research is exploratory and theory-testing, focusing on the implementation of new techniques of expressing employee voice as a way of increasing organisational performance. The selection of an appropriate case requires an organisation that represents a critical test of existing theory, a unique event or a revelatory case to observe and analyse a new phenomenon. In other words, the study requires an organisation which has experienced significant change (Gagnon, 2010; Dyer, 1984). A single case-study approach to the research was adopted, as the organisation selected encompassed all these criteria and was therefore an

appropriate unit of analysis. CarCo is an organisation that has experienced significant change, including during the period prior to the closure announcement for vehicle manufacturing. CarCo had embarked upon a series of program of redesigning employee relations and by default employee voice, over the lifetime as a manufacturer, including the development of a pragmatic and cooperative working relationship with the unions on site. CarCo offered a unique opportunity to observe the evolution as well as operation of employee voice in the organisation during its final years of production. Under these aforementioned conditions the case study is revelatory in nature.

The case study organisation investigated was a large Australian based car manufacturer, CarCo. The main rationale for undertaking a study of this organisation was that this was a unique research opportunity, as access has been made available to this Australian division of a large multinational and it was the one of the last three car makers in Australia still designing and manufacturing vehicles locally. In addition, CarCo has undertaken significant reform and restructuring of its work practices and employee voice over its 70 years of production history, thus providing an opportunity to test theories of employee voice.

The final reason for the use of the single case study approach is that the case in question has a revelatory perspective. During the course of researching at CarCo the company announced that it would be ceasing manufacturing operations in Australia and the closure would take place gradually over a three-year period. Thus, CarCo also provides an opportunity to examine employee voice in unique circumstances. The announcement of closure at CarCo represented an unprecedented opportunity as it afforded the chance to study employee voice in an Australian car manufacturing company in the unique circumstances of its final years of operation.

This approach to studying an organisation which is experiencing extreme change has long been supported in the literature, for example the research of Eisenhardt (1989) points out:

> ... given the number of cases which can usually be studied, it makes sense to choose cases such as extreme situations and polar types in which the process of the interest is "transparently observable". Thus, the goal of theoretical sampling is to choose cases which are likely to replicate or extend the emergent theory (p.537).

The single case study exploratory approach also allows for a more in-depth analysis of the practices, policies and processes which influenced the development of specific patterns of employee voice as the organisation experienced change over its production history (Gagnon, 2010; Dyer, 1984). As Yin (2012) comments “The use of a single case study exploratory approach or objective is to pose competing explanations for the same events and to indicate how such explanations may apply to other situations (p.6)”.

Theories of employee voice can therefore be confirmed, challenged or extended within this detailed analysis (Tsang, 2014; Gagnon, 2010; Yin, 2009; Eisenhardt, 1989). In undertaking a single case study approach to this research, it is acknowledged that criticism has been made as to the limited application of atypical results or outcomes of this approach. However, it is argued that despite the fact that generalising the finding of case study research can be seen as problematic, the strength of case study research is that it has the ability to be analytically representative and to be able to reveal confirming or conflicting evidence about a theoretical proposition (Gagnon, 2010; Yin, 2009; Michelson & Baird, 1995).

The single case study therefore allows the development of plausible explanations and the understanding of causal relationships, providing the analysis with wider significance in terms of generalizable principles (Tsang, 2014). It also provides the opportunity to critically

examine the conceptual framework (Yin, 2009; Dul & Hak, 2007; Gerring, 2007), in the case of this thesis employee voice.

5.5.5 The Organisation as the Unit of Analysis

The single case study approach of this research allows for a defining of the boundaries of the study and control of extraneous information and allowed for a sharp focus on the domain in which the findings are situated (Gagnon, 2010; Yin, 2009; Eisenhardt, 1989). Whilst the case study organisation has been part of, and integrated into the supply chain of, a larger multinational organisation, CarCo had to all intents and purposes functioned as an autonomous unit. This is reflected in the listing of CarCo on the Australian Stock Exchange, the development and manufacture of unique local Australian car model variants and autonomous employee relations functions within the organisation structure. The relative autonomy of CarCo also provided the opportunity for centralised data gathering and effective triangulation of the multiple sources of data.

5.5.6 Gaining Access to a Case Study Organisation

As Gagnon (2010) identified, a key factor in developing high quality case study research is the ability to gain access to the organisation. Preliminary discussions were undertaken with two Senior Human Resource Managers at CarCo Plants A and B. After several telephone conversations and email exchanges, a meeting was arranged at CarCo to outline the research proposal, the focus of the case study and the format. Formal acceptance was given for the case study to be undertaken and access was given to the researcher's activities within the company, subject to permission from the respective department or area in which the research

was undertaken. Interviews with staff took place in various departments and organisational levels throughout the company.

5.5.7 Researching the Case Study

A central theme in the development of a quality exploratory case study is to ensure that the criteria of construct validity, external validity and reliability are achieved in framing the research (Yin, 2009). ***Construct validity*** is the ability to use multiple sources of evidence, develop a chain of events and have the case study reviewed by key informants. Yin (2009) suggests that a major strength of case study data collection is the opportunity to use multiple sources of evidence. The arranging of events in chronological order to determine causality and the use of triangulation further enhances the construct validity of case study methodology. As Eisenhardt (1989) comments "...the triangulation made possible by multiple data collection methods provides stronger substantiation of construct and hypothesis" (p.538). Triangulation therefore allows the sources to be compared to identify whether they support, corroborate or contradict each other. The validity of research findings are more dependable when they can be confirmed from several independent sources (triangulation), and validity is enhanced when findings are confirmed by more than one data collecting instrument. Thus, triangulation helps to overcomes problems of bias and validity and the deficiencies of any one method can be compensated for by combining and comparing with other methods (Miles, Huberman & Saldana, 2014).

The implementation of external validity and reliability are also important for framing case study research. ***External validity*** is the extent to which inferences from the case study can be transposed to other studies (Gagnon, 2010; Yin, 2009; Babbie, 2007; Dul & Hak, 2007). This is often cited as a weakness in case study methodology (Tsang, 2014). The application of

triangulation and the generalisability of the models of employee voice at CarCo across industries in many advanced industrial economies, allows this case to be readily generalizable.

The case study protocol developed provided the framework to ensure ***reliability.*** The structured format and the availability of a variety of data sources about and relating to CarCo provided the opportunity for the research to be replicated in the future (Yin, 2009). The use of multiple sources of data allowed for the focus to remain on testing existing perspectives on employee voice whilst remaining receptive to other influences and possibilities. In this way a process of pattern matching (Miles, Huberman & Saldana 2014; Yin, 2009) was undertaken to determine how closely employee voice structures at CarCo reflects traditional patterns and practices or embraces emergent patterns and practices of employee voice and the effect on employee relations climate, productivity and efficiency.

The detailed nature of this single case study approach also facilitated the extensive testing of pattern matching through detailed observation of the characteristics of the organisation, to see if they correspond with the processes under examination. As Yin (2009) points out: "... with a single case study, the successful matching of the patterns to one of the rival explanations would be evidence for concluding that this explanation was the correct one (p. 108)".

The evaluation of the case study within the context and framework of employee voice allowed for generalisability of the results to the growing research literature in this field of management research. As Yin (2009) comments:

> [pattern-matching] requires the development of rival theoretical propositions - important characteristics of these rival explanations that each involves a pattern of independent variables that is mutually exclusive. If one explanation is valid, the other cannot be.

> The presence of certain independent variables precludes another. The concern of the single case study analysis, however, is with the overall pattern of results and the degree to which a pattern matches the predicted one.
>
> With a single case study, the successful matching of the patterns to one of the rival explanations would be evidence for concluding that this explanation was the correct one and that the other explanations were incorrect (p. 140).

The review of the literature (see Chapter 2) identified types of employee voice, and how employee voice can develop in diverse and varied environments. By employing the case study method, distinctions can be drawn between patterns and practices of employee voice at CarCo and whether or not these employee voice patterns and practices reflect and interpret the processes of employee voice described in the literature.

5.5.8 Collection of Data

The investigation at CarCo utilised multiple sources of data collection. Yin (2009 p.102) identifies six major data sources:

- **Documentation**
- **Archival Records**
- **Interviews**
- **Direct Observation**
- **Participant Observation**
- **Physical Artefacts**

Whilst Yin (2009) notes that this list is by no means exhaustive, what is particularly significant is the highly complementary characteristics of these sources of information and states that "a good case study will therefore want to use as many sources as possible" (p.101).

As shown in Figure 5.1, this study utilised four of the six major sources identified:

- Documentation
- Archival Records
- Interviews, and
- Direct Observation

Documentation.

This is an important source of research data collection, particularly when undertaking qualitative research such as a major case study. Documentation is useful in establishing, corroborating or contradicting evidence from other sources (Yin, 2009). In the context of this case study research, the main sources of documentation included State and Commonwealth government reports, organisational annual reports, in-house circulars as well as publications, newsletters, press statements and on-line videos. Permission was given by the company to use in-house documents for this research.

Archival Records.

As a commercial organisation CarCo holds very few documents describing changes to workplace practices, the records held by the company other than annual reports relate to marketing, vehicle identification designations and significant product launches. CarCo also makes available to the public "timeline" histories of the organisation, product development and significant events in CarCo's history. Some records are available which document investment and development announcements, including strategic partnerships, co-investment with commonwealth government and state governments. While these investment and strategic initiative announcement records are a "public face" of the company, and therefore emphasis positive aspects of announcements, they still provide confirmatory documents that can be compared with other sources of information. The longitudinal nature of the case study

means that archival records are of particular importance in building a contextual understanding of the complexities and dynamics of the employee voice at CarCo.

Government and Productivity Commission reports relating to the Australian car industry, workplace agreements, journal articles and books written about CarCo have also been accessed as documentation sources.

Case study questions and interview structure.

Interviews were initially carried out with the Senior Human Resource Managers at CarCo Plant A and Plant B. The Senior Human Resource Manager at Plant B was of particular importance in that he had been at CarCo for twenty-two years and was routinely involved in grievance resolution, matters that reached the Fair Work Commission for determinations and was a participant in negotiating Enterprise Agreements. His experience and period of employment at CarCo covered the period of time during which the initial developments of employee voice took place. This provided a significant insight into the operation of employee voice and the role of trade unions at CarCo. Interviews were undertaken across the workforce.

Figure 5.1 Multiple Sources of Data for this Research Source: Adapted from Yin, 2009, p.102

The initial selection of personnel in each area was based on availability and willingness to participate in the research. Because of the emotional impact of the closure announcement and the potential for conflict and hostility generated by the process of CarCo transitioning from a manufacturing organisation to an importer of passenger vehicles and marketing organisation, and the commercial sensitivity of several of the issues discussed, anonymity was guaranteed to all interviewees. Initially a structured interview questionnaire was developed for this research. However, in undertaking the interviewing process this was quickly modified and a semi-structured approach was undertaken in which the key areas identified in the research questions and propositions were introductions to the topic areas.

The details of interviews are shown in Tables 5.1 and 5.2. The interviews provided the core of informed knowledge and insight on CarCo. The cross-section of interviewees allowed for the checking of possible inconsistencies and bias (Miles, Huberman & Saldana, 2014; Yin, 2009). Supervisory staff, trade union representatives and third parties who were players in negotiating the enterprise agreements and conditions for the workers during the closedown of manufacturing were also interviewed. This cross-section of interviews provided a broad range of information and insight into the exercise of employee voice at CarCo. The majority of interviews were of a semi-structured format. As noted, whilst a structured set of questions was developed from the literature review, because of the nature of the research - exploratory and theory-testing - the need to maintain an open approach to the research meant that a semi-structured format was preferred (Tsang, 2014; Yin, 2009; Babbie, 2007). However,

focused questions regarding the nature, patterns and practice of employee voice were addressed to guide the discussion and to ensure consistency within the analysis.

It is acknowledged that this source of information is open to individual interpretation of events and inaccuracies, which can create the potential problem of bias in the interview sample (Lee, 1999). However, whilst this is often cited as a weakness in undertaking qualitative analysis, a trade-off must be made between the ability to control the environment and the opportunity to analyse and assess such a unique case. As Yin (2009) points out:

> Overall, interviews are an essential source of case study evidence because most case studies are human affairs. These human affairs should be reported and interpreted through the eyes of specific interviewees, and well-informed respondents can provide important insights into situations. They also provide shortcuts to the prior history of the situation, helping (the investigator) to identify other relevant sources of evidence (p.108).

The semi-structured approach also facilitated a deeper understanding of the work practices and organisation of operations at CarCo. Interviews were recorded electronically with the permission of the interviewees and notes of the interview were written up immediately after each interview. Where they were required, follow-up interviews were scheduled at the convenience of the interviewee. Because of the in-depth nature of this study, the researcher developed several contacts within CarCo who also provide updated information on issues relevant to this study.

Direct Observations.

Because of the nature of this research - an intensive single case study - direct observations stemming from a number of visits to CarCo over a period of three years were incorporated into the analysis. As Yin (2009), notes in this context:

> "By making a field visit to the case study "site" you are creating the opportunity for direct observation some relevant behaviour or environmental conditions will be available for observation. Such observations serve as yet another source of evidence in a case study (p.109)".

5.6 Case Study Analysis and Theory Testing

The initial process of case study analysis involved the systematic collection of data and its documentation and analysis in such a way as to answer the research questions. Considering the exploratory nature of this thesis, it was important to maintain a flexible approach to the overall data collection (Yin, 2009). By using multiple sources of data, the research was able to cover a broad range of themes and issues (Miles, Huberman & Saldana, 2014; Yin, 2009). However, multiple sources of information generated large quantities of data which required structuring and ordering (Gagnon 2010). There was therefore a need to develop a systematic approach with appropriate breadth and robustness for an in-depth single-case study. Given the relatively small sample size, and notwithstanding the substantial amount of data gathered, the decision was made not to use a qualitative research software application such as NVivo.

Each interview was recorded on a digital audio recording device at the time the interview took place. As soon as practical after the interview, the digital recordings were reviewed, and notes taken. The focus of the initial note taking was to identify and record key words, statements (such as common expressions or phrases), themes and examples. A similar approach was used to review CarCo documents, web pages and other artefacts which were made available and accessible. This initial coding approach allowed the data to be organised in a structured and systematic way for analysis (Gagnon, 2010; Yin, 2009; Bailey, 2007; Perecman & Curran, 2006).

By ordering and structuring the data a more coherent framework can be developed and new insights identified. The technique of reviewing and notetaking also forces the researcher to continually return to earlier data searching and interrogation, to examine and compare themes and relationships. In this way new or previously un-noted aspects of the research can be identified and integrated into the main data analysis (Yin, 2009; Bailey, 2007; Perecman & Curran, 2006).

5.7 Conclusion

This chapter has explained the research methodology utilised in this thesis. The case study approach was used to provide an exploratory empirical testing of the relatively unexplored area of case studies of employee voice in Australian organisations and the conceptual framework of employee voice and employee participation. A research protocol was developed to guide the research. The significant quantity of information generated by the research was ordered and categorised so as to facilitate theory testing. Thus, this thesis aimed to contribute to an area of research where relatively little empirical research has taken place, particularly in Australia.

The following chapter will analyse and interpret the data gathered from various sources, with a focus on the adoption and development of employee voice structures and policies at CarCo. In the context of the announcement that all three of the major car makes in Australia have announced the end of their manufacturing operations the following chapter will focus on the development and evolution of employee voice at CarCo.

Chapter 6 Employee Voice at CarCo

6.1 Chapter aims

The focus of this chapter is to analyse and interpret the data gathered from various sources, with a focus on the adoption and development of employee voice structures and policies at CarCo. The aims are derived from the research questions and proposition that are detailed in chapter 1. The context in which these questions are being researched is significant. The automotive industry in Australia, which has been at the vanguard of significant change since the 1980s and is now culminating in production being shut down in 2017. All three of the car makes have announced the end of their manufacturing operations in Australia. This chapter focuses on the development and evolution of employee voice over the 70 years of CarCo production as the once preeminent manufacturing sector in Australia.

This chapter will firstly present the reasons why CarCo was selected as the focus for the research and adumbrate the rationale for a case study approach being used. The chapter will then present an analysis of employee voice at CarCo.

6.2 Voice at CarCo

6.2.1 The development of employee voice

The influence of AsianCarCo work practices on the members of the delegation which undertook the fact-finding tour led CarCo to establish a workplace-based consultative mechanism, a Joint Consultative Committee, which enabled the discussion of a broad array of issues. The establishment of the Joint Consultative Committee marked a significant step forward in improving shopfloor/management relations and was important in the development of a participative work practices at CarCo and reflected a move to a hybrid type of voice system.

Systems of work organisation are also a key aspect of industrial agreements which were contemporary with the adoption of teams at CarCo. The influence of the AsianCarCo Production System (TPS), which was encountered by management and worker representatives on fact-finding trips to plants in Europe and AsianCarCo facilities in Asia (at the time AsianCarCo was a joint venture partner in Australia CarCo) can be seen in the team-working and consultative provisions in the CarCo's Automotive Limited Enterprise Agreements in the mid-1990s.

The adoption of team-working arrangement was initially raised during industrial relations agreement negotiations around the question of how to improve efficiency. The negotiations with trade unions gave rise to significant conflict over how much authority management would give to teams. The details of the introduction of teamwork arrangements proved more difficult, because of differences in the preferred model. Unions proposed a participative "group-work" system, while management favoured a more traditional authoritative model of directed teams. Following a protracted period of debate the union's preferred approach was ultimately adopted and has remained. Lansbury, Wright and Baird (2005) indicate that the union model of "group-work" has endured as a successful endeavour, despite the difficulty of its initial implementation.

6.2.2 Voice Arrangements

The following table (Table 6.1), developed by Dundon, Wilkinson, Marchington and Ackers (2004) provides the framework by which employee voice at CarCo can be organised and linked to workplace activities, committees and formal management communication channels.

The descriptive categories of employee voice as Articulation of Individual Dissatisfaction, Expression of Collective Organisation, Contribution to Management Decision-making and Demonstration of Mutuality and Co-operative Relations are used to link employee voice at CarCo to the framework of Dundon et al. (2004).

Voice as:	**Purpose and articulation of voice**	**Mechanisms and practices for voice**	**Range of outcomes**
Articulation of Individual Dissatisfaction	To rectify a problem with management or prevent deterioration in relations	Complaint to line manager Grievance procedure Speak-up programme	Exit – loyalty
Expression of Collective Organisation	To provide a countervailing source of power to management	Union recognition Collective bargaining Industrial action	Partnership – de-recognition
Contribution to Management Decision-Making	To seek improvements in work organisation, quality and productivity	Upward problem-solving groups Quality circles Suggestion schemes Attitude surveys Self-managed teams	Identity and commitment – disillusionment and apathy Improved performance
Demonstration of Mutuality and Co-Operative Relations	To achieve long-term viability for the organisation and its employees	Partnership agreements Joint consultative committees Works councils	Significant influence over management – marginalization and sweetheart deals

Table 6.1 Types and purpose of employee voice (Dundon, Wilkinson, Marchington & Ackers, 2004 p.1152)

The following section describes employee voice at CarCo which, following the model of Dundon et al. (2004) includes; articulation of individual dissatisfaction; frontline grievance resolution (direct, individual voice, first step of a tiered process if necessary), and shop stewards and line manager/supervisor discussion of grievance issues.

Current custom and practice at CarCo is for complaints about fair treatment to be resolved at the lowest organisational level and informally if possible. Consistent with this is the process described by one union senior shop steward as a "quiet chat" between the shop steward and the frontline manager. The informal "quiet chat" consultation with the line level union representative was consistently reported by management and union interviewees as being the desired first step of grievance resolution.

Union representatives who were interviewed reported that the access they have to company information has allowed them to better represent the workforce at CarCo. Senior shop stewards also said that the easier access to managers that has emerged from working with management on various committees has also enhanced their ability to represent the workforce through the ability to have constructive informal discussions at the frontline and departmental management levels without the need to escalate to formal grievance resolution processes. A senior shop steward stated that:

> …when you sit down with [managers] in a committee you get to know them better and you get to see them as just another workmate … it's easy to walk up to them in the canteen and have an informal talk about an issue when you're on first name terms with them…

A line manager expressed a similar view:

> I want to know what's going on in my area and sometimes I get formal feedback that doesn't fit with what I'm seeing [in the workplace] … I can grab [union shop steward] and have a chat with him over a coffee to find out what's really going on.

The following section describes employee voice at CarCo in terms of expression of collective organisation, which, following the model of Dundon et al. (2004) includes; shop stewards meetings; senior shop stewards meetings; work area OH&S briefings/meetings; whole of plant OH&S briefings/meetings; union recognition for EBA negotiations; union officials present on consultative forums.

Aspects of union instrumentality are, amongst other things, the formal recognition of union representation in collective bargaining and membership of joint consultative committees, as well as regular union representative meetings at the workplace level. CarCo gives time to union shop stewards and senior shop stewards to attend regular meetings. The shop stewards and senior shop stewards' meetings are not required to report to management about the items discussed in them, nor are they attended by management representatives.

Work area and whole of plant OH&S briefings/meetings (workplace health and safety, WHS, is referred to as occupational health and safety at CarCo) require that there is union representation. Workplace safety in the manufacturing setting at CarCo acknowledges that specific and unique hazards exist depending on the work area and the nature of the tasks undertaken in them. As is shown in Table 6.2, CarCo identifies the Plant Safety Review Board, OH&S committee and the Elected Safety Representatives Meeting as being "industrial" meetings and formally endorses the participation of union representatives as standing members of the committees. Table 6.2 below shows a summary of consultative committees at CarCo, who attends each forum and a summary of the types of matters that each committee addresses.

Forum	Type	Who Attends	Comments
Peak Committee	Industrial	LS. SSS[1], Organisers, State Secretary	Monthly, site focus, SPQRC (Safety, People, Quality, Responsiveness, Cost Goals) & Significant issues (Plant committee reports into this)
Plant Committee	Industrial	Local Management, HRAs, SSS[1], SS[2]	Monthly, Plant focus, SPQRC (Safety, People, Quality, Responsiveness, Cost Goals) & Significant issues (Reports into Peak Committee)
Senior Shop Stewards SSS[1] T & NT[3]	Industrial	SSS, T&NT	Weekly, Site Focus, SPQRC (what's hot, what's not – Temperature Check)
Non Trades Steering Committee NTSC	Industrial Training	Management Reps, SSS, ED Representatives	Monthly, Site Focus (Plant Training Committee reports into this)
Quarterly SSS Organiser update	State of Business	RP, JG, Organisers, SSS	Quarterly
Trades Training Steering Committee TTSC	Industrial Training	Management Reps, SSS, ED Representatives	Monthly Site Focus (Plant Training Committee reports into this)
Plant Training Committee PTC T & NT	Industrial Training	Local Management, HRAs, SSS, SS	Bi Monthly, Site Focus (Reports into NTSC and TTSC)
Plant Shop Stewards Meeting PSSM T&NT	Industrial	Local Management, SSS, SS	Weekly or fortnightly & Ad Hoc, Focus on local issues, not in all plants
Shop Stewards Meeting SSS T&NT	Industrial Union Organisers attend	Shop Stewards & Senior Shop Stewards – Trades Shop Stewards & Senior Shop Stewards – Non Trades	Fortnightly or Monthly
OH&S	Industrial OH&S	JG, RP, Organisers	Quarterly, Site Focus
Plant Safety Review Board PSRB	OH&S	RP, AW, MM, KP, OH&S Plant Reps, OH&S Advisors, Area Managers	Monthly, Site Focus
Elected Safety Representatives Meeting SRM	Industrial OH&S	Elected Safety Reps, nominated Union Organiser, and invited guests	Quarterly, Site Focussed – Chaired by the elected safety representative

Table 6.2 Current consultative forums at CarCo. [1] Senior Shop Stewards. [2] Shop Stewards. [3]Trades and Non Trades. (Source: CarCo company document)

All CarCo enterprise agreements from the 1990s through to the 2015 agreement have included a stated preference of collective bargaining and explicitly nominated the union as formal representative for employees in negotiations. The enterprise agreements also all contain formal

provision for union meetings (shop stewards and senior shop stewards) as well as standing membership on joint consultative committees (see Appendix 1 for extracts of CarCo enterprise agreements).

CarCo has start of shift meetings and supervisor briefings (called “Talkies” by CarCo staff) for production areas which are focussed on production targets, processes and task allocation, as well as work group meeting which are focussed more on the team. It is in the smaller work group meetings at CarCo that discussions about task allocation and problem-solving take place amongst the staff; however, the scope of these activities is still controlled and limited by “sign-off” by the supervisor. Tasks are allocated by the supervisor and problem-solving suggestions are taken to the supervisor, not implemented independently.

Following the model of Dundon et al. (2004) employee voice at CarCo includes contributions to management decision making via; start of shift meetings, work group meetings and supervisor briefings “Talkies”; employees of the month schemes; HR communications; workplace of choice programs (organisational climate surveys) and social media.

The following section describes employee voice at CarCo which, following the model of Dundon et al. (2004) includes demonstrations of mutuality; co-operative relations and consultative forums.

CarCo supports a broad suite of joint consultative committees that range from a whole-of-site committee which meets monthly to shopfloor departmental and workgroup meetings. The peak representative bodies have a standing membership of management, CarCo senior shop

stewards, shop stewards and the state secretary of the AMWU as well as the state secretary of the AMWU Vehicle Division.

The highest level committees (Peak and Plant) meet monthly and these committees have been formally established within the CarCo enterprise level industrial agreements since the 1990s.

The following section describes employee voice at CarCo which, following the model of Dundon et al. (2004) includes; Direct Voice – downward communication from management; management briefings – whole of plant (one way messaging); management briefings – department (one way messaging and two-way, questions taken/interactive); "Town Hall" meetings – whole of plant (two-way, questions taken/interactive); "Twitter" style smartphone app (push information); company profile on Linked-In; CarCo company news on the corporate communications web page (externally accessible), and CarCo company news on the corporate intranet site (internally accessible only).

Management briefings at CarCo take place regularly, at least quarterly, and in a number of different formats. As a form of one-way messaging with limited or no opportunity for questions, management briefings are conducted on a whole of plant and whole of department level. The briefings are delivered by the most senior manager who is available at the time the briefing is scheduled for, usually the CEO for whole of plant briefings; and the content of the briefings is focussed on critical business information. The other form of management briefing at CarCo is conducted as an open forum, or 'Town Hall' style meeting. The open forum meetings are less frequent, and one manager said they usually take place two or three times a year. Table 6.3 shows a summary list of the employee voice strategies employed at CarCo.

- Focus on our people
- Tell it as it is/no unnecessary secrecy
- Diagonal slices[1] weekly (daily as required)
- Implementation of early-release program
- Focus on the 'why' instead of the 'how'.
- Celebrating business successes with BBQs, morning teas.
- Daily production walks
- Management works production cells on overtime.
- Increased communication (Konnective app, comms surveys)
- Recognition built into BPD process. Focus on good behavioural traits.
- Site-wide engagement/family activities (classic car events, open days, charity support, reward and recognition) and implementation of Workplace of Choice (WOC) committees in each shop.

Table 6.3 CarCo Employee Voice strategies employed (Source: CarCo company document)

[1] Management briefing group with membership drawn from across functional areas (horizontal) and organisational levels (vertical).

6.2.3 Types of Employee Voice at CarCo

Employee voice at CarCo has evolved from the earlier forms of employee participation, including the development of semi-autonomous work groups. Semi-autonomous work groups at CarCo are online production teams rather than offline problem-solving teams. The teams at CarCo are formed around specific production line activities and physical location within the manufacturing facility with teams being clustered around a significant stage of production. Vehicle assembly, for example, operates with a series of teams each responsible for a distinct stage of the automobile assembly with certain stages (body welding and painting

for example) highly automated and utilising industrial robots. Upstream from, and parallel to, vehicle assembly, various sub-assemblies, trim and interior components and body panels are pressed or prepared and transported within the factory to the production line teams. Downstream from the production teams the completed vehicles undergo final testing and are sorted for shipping and distribution.

The organisation of teams at CarCo is dictated to a large extent by the nature and layout of the production system. Body panel pressing, trim items (interior parts of the vehicle such as door handles, trim panels and other cosmetic as well as functional items), are made or assembled at off-line locations within the factory. Sub-assemblies (such as air conditioning units, engines and transmissions) and a wide range of other components (electrical, glass, wheels, tyres etc.) are brought into the production line from other CarCo facilities or outside suppliers which includes other organisations within the US multinational car maker group. The manufacturing teams at CarCo were designed to enhance communication between team members, cement the relationship between the team and its production output, in terms of both quality and productivity, and allow for the exercise of greater procedural flexibility within the team and within the factory (Lansbury, Wright & Baird, 2006).

The final agreed position by all stakeholders at CarCo was to have formal leaders for manufacturing teams. However, the debate within CarCo leading up to this final position was focussed on the options of fully autonomous or directed teams and who would be team leaders. The final agreed position is that team leaders are selected after a training program (open to all suitably qualified employees as per EBA provisions) which is followed by an application and selection process against criteria contained in the EBA (see appendix 1 for extracts from CarCo enterprise agreements).

The evolution of employee voice has followed the path of hybrid voice with a strong union presence providing union voice, combined with aspects of direct voice facilitated by sophisticated human resource management practices. Union voice at CarCo has provided the workers there with a mechanism through which workplace grievances have been aired and productivity suggestions have been forwarded for managerial consideration.

The employment relations climate (Guest & Peccei 2001) within an organisation is the term that can be used to describe the environment in which management and workers interact. The employment relations climate can include such things as bargaining structures, the history of employer/employee relations, the nature of competition within the marketplace that the organisation operates in, the current state of the labour market, and the prevailing attitudes of employers and management (Drago, Wooden & Sloan, 1992). Alongside these are the external factors of national industrial relations policy and the broad national and international economic conditions that also impact on the overall performance of the organisation. All of these internal and external factors mediate the impact that unions have on organisational productivity, however, the level of trust within an organisation can act to undermine any potentially positive effects of union voice. Belman (1992) argues that in organisations where there is low trust between workers and management:

> …there will be little incentive for workers and managers to share information, workers will only produce under compulsion, and the rules of the worksite … will be used to assert or limit control rather than improve output (p.46).

The historical context of CarCo's industrial relations climate at the start of the organisational change project that established the settings within which employee voice evolved was not positive. The level of trust between employees and management was low, a senior shop

steward described the relationship between management and the employees as "tense" with entrenched positions on both sides:

> … back then … we were never sure what management were up to and we saw every change [in the factory] as being intended to get rid of some of us or to get us to do more work for the same money. The way some of the New Australians [migrant workers] were being treated in particular was shitty … just because they didn't speak good English they were given the worst shifts on the worst jobs … the best way we could look after them was by going to the commission. We spent a lot of time in the commission back then.

Change at CarCo was seen by management as a survival imperative, quality and productivity had to rise if the company was to transition successfully into the new economic conditions of low tariffs and exposure to international competition (see chapters 3 and 4). A new approach was adopted by management at CarCo that was based on the experience of the US parent company in establishing union/management consultation on organisational change. The approach included the idea of showing the Australian workforce examples of different ways of working around the world, in particular team-based manufacturing systems. As part of the consultative process in the development of teams in the Australian factory, management at CarCo organised a 'fact-finding' trip to the USA, Japan, UK and Europe. Managers, line workers and union representatives were shown the various team working models within CarCo's US parent company as well at AsianCarCo. The AsianCarCo joint venture gave CarCo access to the Japanese factories that were using the AsianCarCo variant of the Lean Manufacturing approach. One middle manager saw the overseas trip as being a turning point in the adoption of teams at CarCo:

> The unions at one stage were a bit of a stumbling block, but through the overseas trips and through to the formation stage when we were getting some agreements in place about workgroup leaders … [eventually] we got to an agreement and they [unions] were always very proactive, particularly the leadership of the union and a couple of the senior shop stewards who were extremely supportive.

The management at CarCo described the development of consultative work practices and teams in terms of international competition and changing government policy. The reform of Australian industry set in place by the Button Plan (see Appendix 3) in the 1980s was cited by senior managers at CarCo as being a major stimulus for change, as was the associated pressure from international competition. As one senior manager stated:

> … [changing work practices] is part of our survival package, we nearly went out of business in '86, we nearly went bankrupt … we realised then that unless we [changed] we wouldn't survive as an organisation.

A senior AMWU official who worked at CarCo during this period, and who was also part of the overseas fact-finding mission, explained the tense nature of the employee/management relationship as being based on a lack of a willingness on the part of management to hear alternative points of view.

> [Management and the unions were] … at loggerheads because the company was very arrogant, and we were told 'do what you're told to do' with no questions asked.

> The culture back in the 1970s and 1980s was one where you had no say as a production worker … where we could see where you could do things differently management wouldn't listen to that.

The relationship of hostility was also more focussed on the conflict between management and the unions than it was on the long-term survival of the business. As a senior AMWU official put it:

> In the 1980s it's probable that the unions wouldn't have accepted [pay or productivity concessions to avoid layoffs] they would have dug their heels in and let the company fold. It was very adversarial back then, everything went to the commission – demarcation, wages, classifications, everything.

The union view of the prevailing culture at CarCo was that it was shaped by the adversarial processes inherent in the Australian industrial relations legislation and the lack of trust between management and the employees. The senior union official's view was that the processes of formal dispute resolution were taking practical decision making out of the hands of managers. In the opinion of a senior AMWU official, the legalistic and process driven focus of constantly taking grievances and minor disputes to the commission needed a circuit breaker:

> … we didn't trust them [management] and they didn't trust us [unions], it was not a happy time back then. Whatever management told us we didn't believe and they [management] reckoned we were a lazy bunch who were just out for what we could get … every little issue was blown out of proportion and we took every issue to the commission…

> …managers were not in the process, the company [and the union] was hiring lawyers, things were always in the commission … we were always fighting in the commission about something, but nothing was changing … so the company started working closer with the unions … management got better outcomes more quickly by cooperation with unions.

The change from an adversarial, low-trust employment relations climate to a cooperative, high-trust industrial relations climate did not happen quickly, rather it was built over time. However, the early productivity and quality gains surrounding the introduction of manufacturing teams and the establishment of a joint consultative committee were encouraging to both management and employees.

Another significant national policy change that coincided with the evolution of employee voice at CarCo was the introduction of the training guarantee scheme which had a profound effect on employee turnover rates, as one middle manager explained:

> … [CarCo] went from an organisation with labour turnover of about 45% a year in the 70's, and in the 80's training was seen as not necessary … quality was top-down and something we inspected for not something we built in.

> …the support we got from the government to help with training made a big difference … we were looking at giving more quality training to the guys in the factory because we needed to get better at it [quality] if we were going to have any hope of staying competitive…things like the vehicle building certificates were a huge step forward for us…

The view from the production line echoes those of management. The dismissive attitude by management towards the experience and opinions of line workers was also changing to reflect the new status of a better trained and more stable and articulate workforce. As explained by a senior AMWU official:

> …they were educating the unions as well with regard to continuous improvement, our survival [as a company], the next plan and so on … but we were also able to tell management about real issues [e.g. heat stress, water/drinks on the line, breaks, job rotation] as well as how we reckon the job could be done more efficiently.

This shift in training also impacted on productivity and quality, a middle manager stated that the attitude towards line workers changed from:

> … who cares [about training] they will be gone next week, why waste money. The quality of the vehicle in the 60's and 70's left a lot to be desired and then the Japanese came in and suddenly in the 80's quality was the byword [along with] flexibility … the investment in training and the lower rates of turnover were critical to making the changes work.

The unions also noted the changes in attitudes once the company embarked upon formal training and linking promotion and pay seniority to skills acquisition.

> … the certificate and what not for production workers was a big change … we got formal recognition for what we knew, and the company was more interested in keeping workers who they'd paid to get trained up rather than

> just saying 'there's always someone looking for a job, so why bother trying to keep anyone' … it made a big difference to quality.

These views expressed by CarCo managers and union representatives suggest that CarCo embarked upon a strategy for restructuring the productive system around greater consultation which was intended to meet the challenges of the new national policy environment and international competition. Changes to work practices were not introduced as part of an ideological agenda to move towards an individualised employment relations strategy but as a means of addressing competitive pressures. Rather than seeking to exclude unions, management at CarCo recognised the pivotal role unions have in the survival strategy. As stated by one senior manager:

> the willingness of the unions to work with us on change was critical … it became fairly obvious not only to the management of [CarCo], but also to the unions that unless we worked in a fairly cooperative way … then we wouldn't survive as an organisation.

The view expressed by all three levels of management interviewed at CarCo represents a pluralist frame of reference rather than a unitarist one. Although managers talk of a common imperative for survival there is a clearly articulated acceptance that the unions and the workers are approaching the problem of organisational success from a different point of view. A senior HR manager expressed it as:

> … I mean they obviously have their own agenda, they have to have. They [unions] are politicians; they have to survive.

The union opinion is strikingly similar. A senior union organiser said that:

> Is it all 'happiness and light' at [CarCo]? Not completely, but probably 95% of the time we agree on things – on how to resolve problems … their [management's] aims for the company are different to what our aims are for our members –they want to maximise profit and we want to make sure that our members get a fair day's pay for a fair day's work … while we agree on quite a lot of stuff there will always be competing outcomes at the end of the day.

The recognition by both management and employees of a plurality of interests at CarCo is also demonstrated by the joint consultative forum called the Site Committee. The joint consultative forum is a direct result of enterprise level negotiations and provided the opportunity for unions, management and worker representatives to discuss and shape the change process. The Site Committee is seen by managers as a forum for debate with the unions, it is also seen as a forum where CarCo workers can debate with union representatives. A line manager described the Site Committee and its operation thus:

> … here at [CarCo] we have what is termed a Site Committee … where union and company come together to meet monthly and we discuss all sorts of issues … but the workers don't always toe the line that the union sets … one [union organiser] walked up to [a work team] and said he was going to hold a meeting and they told him to get lost, we will have a meeting … when we want a meeting not when you want it.

The consultative committees at CarCo were described by a senior HR manager as having a significant role to play in shaping and improving organisational practices through a "checks and balances" process of review and conceding that they did have an influence on management decisions. There is a strong sense that major management initiatives are 'tested' in the joint consultative committee and that negative or positive feedback will inform and shape how management will proceed on specific workplace issues. The joint consultative committee provides a forum for robust discussions where employee representatives and

management can advocate for their interests. However, the senior HR manager went on to say that "… at the end of the day we [management] make the decisions".

As the Australian subsidiary of a US manufacturing giant, CarCo benefits from the technology, experience and expertise that the whole organisation possesses globally. The international fact-finding trip to Japanese, UK, US and European car makers in the parent corporation gave CarCo the opportunity to explore new manufacturing systems and share that knowledge with union representatives and production line workers. However, there are also potential downsides for CarCo; components and imported vehicles from lower cost manufacturers from elsewhere in the US parent corporation world have replaced vehicles or components manufactured in Australia during the life of the company. Competition from lower cost imported competitors and competition from lower cost manufacturers elsewhere within the US parent corporation has created a world-view at CarCo that draws unions, managers and production workers together in a common cause. When it was suggested to a senior manager that in the past industrial relations had the unions and management line up in an 'Us and Them' confrontation, but that the contemporary description seems more like 'Us' being management and unions against 'Them' being the competition, he replied:

> Yes almost … I wouldn't say we were too … we are not totally 'in bed' but … my view, and this could be maybe from where I sit, is both parties [unions and management] find the relationship is fairly productive. I think both parties enjoy that relationship.

The balance that the union has to strike between representing the workforce and working with management to ensure organisational success and even survival is a fine one. Union officials and shop stewards have reported that there are times when the factory workers

question where their loyalties are, with helping management or helping the workers that they represent. There are often questions:

> ... we get people with strong views, shit stirrers who just like to have a go, who'll pull us up at meetings and ask who's side are we on … we just have to stay calm and keep explaining things … you just tell the truth, you can't go wrong if you just tell the truth … young blokes in particular don't know any different and they don't know what it's like without the [pay and conditions] that were won in the past … they can be hard work sometimes …

One of the senior managers who were interviewed also expressed the view that there were alternative ways to achieve change other than through communication and consultation with unions. His views are closer to the unitarist aspects of Human Resource Management than his colleagues and his comments articulate a view that the outcomes could have been achieved without unions or collective agreements. He described his experiences as:

> I think there is a common recognition that unless we work together then both parties are going to suffer quite significantly … I had eight years in a non-union company, and there are pluses to that, the company was in the UK, there was about 3000 people, so it wasn't insignificant, totally non-union. They had other systems in place to cover the shortfall of 'who do we talk to' or 'How do we introduce changes'.

These expressions of an alternative, more unitarist, approach to employee relations and the change process of introducing teams tend to support the view that the environment at CarCo and the management frame of reference was pluralist. The views expressed start from the premise that unions and workers have different objectives, or agendas, to those of management but that those objectives may have a common purpose on specific issues. Implicit in the comments is the view that the change at CarCo had been achieved through collaboration and discussion with the unions. The overarching view is that the relationship between management and the workforce, although still bounded and shaped by the formal Enterprise Agreements, is one based on trust. Management is prepared to take the workforce

into its confidence and ‘open the books’ to explain why an initiative has to be introduced or changes have to be made. In return the unions are prepared to carry the message to the workers and explain what has been negotiated in committee discussions. One senior union official stated that “… most things are done on a handshake …”, contrasting the more trusting environment with the previous adversarial, ‘black letter law’ approach to following rules and seeking resolution to workplace disagreements from the independent “umpire” at the industrial relations commission.

6.3 Organisational Close Down

The three major car makers in Australia announced the end of car manufacturing within a period of 10 months between May 2013 and February 2014. The procession of announcements was inextricably, if not inevitably linked to the relentless economic competition that beset the industry and the precarious nature of the industry’s supply chain; which is dependent on domestic car making as virtually their single customer (Australian Productivity Commission, 2013).

The Australian Productivity Commission has argued that the major contributing factors to the demise of the automobile manufacturing industry in Australia were that consumer preferences for motor vehicles worldwide have been changing and the Australian industry has not changed with them (Productivity Commission, 2014). It is further argued by the Productivity Commission that total manufacturing volumes and export volumes were too small, by global standards, to sustain the industry without the substantial and economically inefficient allocation of government subsidies (2014).

The impact of the closure announcements on CarCo has been widespread and deep. Anecdotal reports from the managers, union officials and workers interviewed for this research have connected the overarching economic and political circumstances with the lived experience of individuals across the organisation. One shop steward told of the four members of one family who were all considering the option of taking a Voluntary Separation Package (VSP) but couldn't see where they would be able to find work after CarCo. They opted to "hang on" in the hope that job prospects would improve, and they would still receive a redundancy payment when the factory closed. The relationship with line management seems to have found a new equilibrium. As one Senior Shop Steward put it:

> The [closure] announcement has brought us [work force and management] closer, back to a level playing field … we're all about to lose our jobs.

When asked about employee involvement in committees and their participation in discussions in the workplace, the Senior Shop Steward said that:

> … people who would have been on the sports and social club committee, canteen committee, even shop stewards and OH&S, people are more focussed on their own futures and don't have as much time for those sorts of things …

The view from the shop floor that the Senior Shop Steward has provides a pragmatic analysis of why production output and quality have remained unchanged following the closure announcement.

> The people on the shop floor are just trying to do a good job, they're probably saying 'we're doing a good job now, let's keep doing it' – I don't think they are worried about being more engaged or anything

The view from the leadership of the union differed little from that from the shop floor. Speaking of the working relationship with management since the closure announcement one senior union official said that:

> … the [union/management] relationship is still strong … they don't open up as much as they used to … but the system is still in place … we can deal with things without [adversarial conflict] before it goes to the commission …

A senior union organiser shared a similar view:

> How are things going now that the factory is going to close? How is the relationship with management? It's still there, it's still working … they may not see it as important, and we kind of remind them that it is.

From the management perspective, the people management metrics such as productivity, absenteeism and turnover are all holding steady at pre-closure announcement levels. This is considered as a point of pride for managers at CarCo, with two senior HR Managers both attributing the positive metrics to the culture of communication and participation within the organisation.

The impending close is being accepted by some managers in similar ways to the factory floor workers. There is an acceptance of the inevitability of change and the end of manufacturing production. One senior HR manager pointed to the fact that the company name would continue after the close down and with that the company would still continue to have a significant workforce to support the logistics of distribution of new vehicles, spare parts and an extensive dealer network. It was also stated that the product research and development engineering staff would stay in Australia as would the vehicle proving ground facility. One

senior HR manager saw the future in terms of transition to a new company structure rather than the end of the company.

> … there will be a lot of work in the future, after [the car making factory] and [the engine making factory] closes … my area, HR, will be smaller, but we'll still be here.

When asked about the relationship between management and the worker that currently exists the senior HR manager said:

> …we've learned a lot of lessons about how to get things done without banging heads, we'll probably keep doing what works – why wouldn't we?

Some of the younger, more mobile and degree qualified managers are considering options with international opportunities within the US parent organisation. The global nature of the car industry provides opportunities in North America, Europe and Asia to managers who are prepared to travel. One production department manager said:

> … after I graduated with my engineering degree I moved interstate twice for my career, it won't be too hard to move again …

The same manager was positive about the opportunities for workers to voice their opinions and make a contribution, but his views had sharp boundaries.

> …we don't exactly sit around singing 'kumbaya' but we still talk to each other … I like to keep the talking [limited] to in the meetings and at the morning [production briefings] … I'm too busy to have people just pop up with a question at any time … I'll listen to people I've got time for and that's not always the shop stewards …I'm here to get a job done, not be a social worker …

However, older managers are viewing the future with less equanimity. Some managers have spent their working life with CarCo, moving from the shop floor through various layers of

management to their current positions. Faced with the same choices of taking an early voluntary separation package or waiting until the final closedown some managers are feeling a closer bond with the line workers. One manager said that:

> … we're not 'us and them' anymore, we never were really, we're all in the same boat up shit creek together …we probably talk to each other a lot more now and we probably see each other's point of view differently – maybe a bit better … we still have our disagreements and we can still sort them out in-house.

6.4 Conclusion

The aim of this chapter was to present data gathered from various sources, with a focus on the adoption and development of employee voice structures and policies at CarCo. The aims are derived from the research questions and proposition. The in-depth case study approach has highlighted the dynamic nature of the market that the case study organisation operates in as well as the impact of the national and international economy.

CarCo has over 70 years of history as a carmaker and over 100 years of history as part of the automobile industry in Australia. As a major Australian enterprise CarCo has been at various times put forward as an exemplar of boom-time national economic vigour and an icon of Australian manufacturing. More recently CarCo has also been held up as an example of "old technology", and a legacy of now redundant protectionist economic policy that once supported an array of inefficient industries dependent on government subsidies for their survival. CarCo also has a workplace history characterised by industrial relations conflict and a culture of resolving most grievances and disagreements formally with the industrial umpire. Since the company embarked upon a project embracing mechanisms supporting employee voice in the mid-1990s the adversarial culture has been replaced by one that is characterised by cooperative management/union relations.

This chapter has examined the mechanisms, practices and processes of employee voice at the level of the organisation developments in work practices at CarCo. Whilst the results of this case study indicate strong support for the use of employee voice mechanism in an Australian organisation, it is, however, recognised that one case study may not be generalisable and does not necessarily hold for all organisations. Overall, this research holds a range of implications for theory development and further research.

The following chapter will analyse the findings of the research by firstly discussing the research findings in relation to the research questions and propositions. Then the implications for employee voice policy development at an organisational and national level will be addressed and finally an assessment of the inferences for employee voice theory development is undertaken.

Chapter 7 Discussion and Findings: The establishment and evolution of effective employee voice at CarCo.

7.1 Chapter aims

The aims of this chapter are to analyse the findings of the research. This is undertaken by firstly, discussing the research findings in relation to the research questions and propositions. Secondly, the implications for employee voice policy development at an organisational and national level are discussed. Thirdly, an assessment of the inferences for employee voice theory development is undertaken. Fourthly, this chapter looks at the implications of this analysis for further research on employee voice.

7.2 Overview of analysis

The case study analysis presented in Chapter 6 identified and presented the factors associated with employee voice at CarCo by organising the discussion in terms of the various stakeholders/actors, mechanisms of employee voice, human resource management practices and the impact and influence of factors in the operating environment of the company, including the economy and federal government policy. The factors detailed in Chapter 6 are now drawn together for the purpose of discussion and drawing conclusions.

This chapter will interpret and give meaning to the areas of investigation by reference to the theoretical models and research findings outlined in the relevant literature (Cox et al., 2006; Bryson, 2004; Marchington & Wilkinson, 2000). The development of employee voice at CarCo is examined here through four research questions supported by two propositions within the context of the enterprise (CarCo) as the unit of analysis. The focus of the case study has allowed for an in-depth examination of the nature, breadth and depth of employee voice mechanisms and employee relations/human resource management practices supporting

the various types of employee voice at CarCo. From this analysis, wider implications and inferences can be drawn for management, union and government policy in the area of employee voice.

The research questions and propositions focussed on organisational policies and practices within the context of on-going changing external conditions over several decades resulting finally in the decision to shut down manufacturing operations in Australia by CarCo in 2017. The findings from this research are presented in the following sections of this chapter.

Employee voice at CarCo has evolved in line with the modernisation of work patterns and practices to improve productivity. These initiatives included a joint management/union "fact finding" tour of automobile manufacturing plants in Europe, Korea, Japan and the USA. The longevity of the employee voice mechanisms which arose from the 1980s through the 1990s initiatives is evidenced by their inclusion in enterprise agreements and the confirmation by senior union officials and managers interviewed at CarCo for this study

Employee voice at CarCo has evolved into a combination of union voice and direct voice; as such it can be considered an example of hybrid voice (Bryson, 2004). Hybrid voice at CarCo entails recognition and acceptance of the formal role and influence of unions within the organisation as well as a sophisticated system of direct voice mechanisms. A key aspect of hybrid voice is that each voice system complements the other at CarCo or supports a broad range of joint consultative committees which range from a whole-of-site committee which meets monthly to shopfloor departmental and workgroup meetings. The peak representative bodies have a standing membership of management, CarCo senior shop stewards, shop

stewards and the state secretary of the AMWU as well as the state secretary of the AMWU Vehicle Division.

Direct communication from management to employees at CarCo includes techniques such as regular briefings from senior management to large staff assemblies, newsletters and global emails. CarCo also uses online resources to communicate with employee which include; company web pages, company intranet sites, "push information" via smart phone applications, a LinkedIn profile and a number of company-supported or endorsed Facebook pages. CarCo also undertakes employee satisfaction surveys and is involved with an Employer of Choice survey. Managers interviewed consistently spoke positively about the employee voice mechanisms operating within the company with support ranging from strong to neutral. For example, when speaking of the early stages of establishing work groups and the joint consultative committee a senior manager stated that:

> The unions at one stage were a bit of a stumbling block, but through the overseas trips and through to the formation stage when we were getting some agreements in place about workgroup leaders … [eventually] we got to an agreement and they [unions] were always very proactive, particularly the leadership of the union and a couple of the senior shop stewards who were extremely supportive.

Another senior manager stated that:

> …the willingness of the unions to work with us on teams [employee participation] was critical … it became fairly obvious not only to the management of [CarCo], but also to the unions that unless we worked in a fairly cooperative way … then we wouldn't survive as an organisation.

Of the senior managers who were interviewed one manager also expressed the view that there were alternative ways to achieve change other than through communication and consultation with unions. His views are closer to the unitarist aspects of Human Resource Management

than his colleagues and his comments articulate a view that the outcomes could have been achieved without unions or collective agreements. He described his experiences as:

> I mean they obviously have their own agenda, they have to have, they [union leaders] are politicians, they have to survive. I think there is a common recognition that unless we work together then both parties are going to suffer quite significantly …

Union representatives within CarCo also spoke positively about the employee voice mechanisms operating within the company. Senior union officials who were interviewed were similarly positive about employee voice at CarCo. The State Secretary of the Amalgamated Metal Workers Union (AMWU) had been involved with the development of employee involvement projects at CarCo since the 1990s and was able to provide a broad perspective of the genesis and development of employee voice mechanisms and his overall assessment was positive and supportive.

Employee voice at CarCo has evolved in an environment characterised by ongoing external existential threats which were beyond the control of the organisation to influence significantly. Changes to government tariff regulations, the global financial crisis and the surging value of the Australian dollar have further impacted negatively on the viability of the company. The external nature of the major threats facing the company have been both the impetus for organisational changes as well as the unifying theme which has been the common ground on which employee voice has been built at CarCo.

The following sections of this chapter will address each of these aspects of employee voice in detail and show the connections between theory outlined in the relevant literature and employee voice mechanism and practices at CarCo.

7.3 Discussion of findings in relations to the research questions

During the course of the research and through reviewing the relevant literature it has been evident that employee voice as a form of employee participation and employee involvement in organisations in advanced western economies has emerged as a major area of research. However, empirical research at the level of the firm in Australia has been limited. In this context the use of hybrid voice, the integrated use of union voice and direct voice (Bryson 2004), has emerged as an effective approach to operationalising ideas of employee participation and engagement with organisational multiple stakeholders with the aim of improving business outcomes through greater efficiency and effectiveness. The model of hybrid voice relies on the integration of union voice and direct voice through the mechanism of sophisticated employee relations and Human Resource management policies and practices and appropriate resource allocation to support these mechanisms. It has been argued that union/management relations in Australian organisations lacks the maturity to achieve this level of integration or sophistication (Holland et al., 2011).

It is apparent from the analysis of employee voice mechanisms at CarCo that the organisation exhibits a high degree of congruence with the hybrid voice model. This congruence is seen in the integration of strong union representation in the negotiation of wages and conditions, the acknowledgement of unions as a legitimate stakeholder in management decision making, direct communication between management and employee at multiple levels and the use of sophisticated HR policies and practices.

The evolution of employee voice at CarCo has been in response to rapidly changing and adverse market conditions, as well as significant changes in government industrial relations policy and legislation over the 70 years of production at CarCo. The changes in management

attitudes at all levels of the organisation as well as a cultural shift in the organisation as a whole have also been part of the evolution of employee voice. As is highlighted as good practice in the literature (see Holland, 2014; Boxall & Purcell, 2011; Cox et al., 2006) CarCo has made strategic choices to support employee voice mechanisms which have entailed the successful development of a human resource management system that focused on building a high level of communication, commitment and engagement between the parties to ensure an ongoing fit. Employee voice at CarCo has been proactively managed and has been founded on the development of shared mutual interest aimed at ensuring that organisational goals are achieved.

7.3.1 RQ1 How has effective employee voice developed and evolved in the organisation studied?

The development of employee voice at CarCo can be traced back to the changes in economic policy in Australia during the 1980s. The exposure to international competition as well as exposure to international trends in workplace practices influenced the operations of Australian car manufacturers.

With the Button Plan (see Appendix 3) restructuring of tariff protection in the 1980s, and the growing pressure this brought to bear on Australian automobile manufacturing, CarCo sought to establish strategic partnerships with other companies as a buffer against competition from imported vehicles. In 1988 agreements were signed with the Japanese company AsianCarCo to establish a joint venture company in Australia, this created a new business entity that was the controlling company for the CarCo - AsianCarCo joint venture. In market terms this agreement gave AsianCarCo access to the large family car segment of the Australian motor vehicle market that it had hitherto not vigorously competed in. AsianCarCo gained an Australian designed and built vehicle in the large car category, and CarCo gained a fully

developed vehicle for the Australian small car market. This is a common practice in the automotive industry internationally and is known as “badge engineering”. CarCo vehicles were produced with minor trim and specification changes and distributed with an AsianCarCo “badge” through the AsianCarCo retail distribution network and the same was done with AsianCarCo vehicles which were then distributed through the CarCo retail network. CarCo has also participated in similar badge engineering and component supply schemes with other Japanese car makers as part of the global product strategy of CarCo’s US based parent, USCarCo. Several of the vehicles currently available in Australia marketed under the CarCo brand are sourced from other USCarCo companies around the world, including Germany, Korea, Thailand and the UK. One of the key outcomes of the AsianCarCo relationship was the access CarCo management gained to the AsianCarCo manufacturing system.

As another part of the process to adapt to changing tariffs and disrupted market conditions, CarCo embarked on a project of workplace restructuring. In an attempt to demonstrate to unions, the benefits of change, CarCo took union representatives, senior shop stewards and management representatives on an international ‘fact finding’ tour of car manufacturing plants. Amongst other examples of workplace practices, the tour gave the CarCo staff exposure to the German model of ‘co-determination’ (Mitbestimmung). The experience of seeing German co-determination first hand was reported by one senior union official present on the tour as being a significant insight into how far employee voice can be extended. Similar access to the manufacturing techniques of other car makers, including from the UK, Korea and the USA, has also informed the way employee voice (EV) has developed at CarCo.

Cox et al. (2006) propose that a key aspect of voice and its development in an organisation is how embedded voice is in the workplace. Cox et al. (2006) developed two measures of embeddedness; breadth and depth. Breath describes the number of the various participation mechanisms in the workplace. The greater the number of complementary and integrated practices used in combination in the work environment, the more effective the voice arrangements are, as they reinforce each other (Cox et al., 2006). Depth is measured by the regularity, significance, control and power bestowed on employee voice in the organisation and is linked to the level of importance of matters employees can raise within these processes (Cox et al., 2006; Marchington, 2005). When viewed in combination, these factors provide an effective insight into the employee involvement and employee participation practices in an organisation (Cox et al., 2006; Marchington, 2005) and a useful measure of how effective management are being in terms of how they manage and share power within the voice mechanisms they develop. In line with this view, Boxall and Purcell (2011) argue that a significant determinant of the success of voice arrangements in an organisation is how, and to what extent, senior, middle and line management genuinely support employee involvement.

Freeman and Medoff (1984) suggest that:

> …unions can do valuable work by pointing out improvements that perhaps should have been obvious to management but were not, and that, once discovered, can be installed with a net gain to the company as well as the workers (p.163)

Union voice at CarCo has also been able to act as an adjunct to management in that it has provided a mechanism for ensuring the observance of provisions in the enterprise agreement and ensuring that information flows between management and workers (Bryson et al., 2005). Conversely, it is argued that the impact of union voice can be to increase the awareness of

employees regarding poor management practice and the existence of alternative ways of running the business. Bryson et al. (2005) point out that:

> By increasing information flows to workers, voice can increase awareness of managerial shortcomings, undermining any basis for collaborative engagement. Voice also increases the stock of dissatisfied workers. It does so as part of a political process wherein a union asks workers to voice their dissatisfaction to strengthen the union's bargaining hand (p.454).

Significantly, the context within which union voice has developed at CarCo has shaped the nature of the union/management relationship. The specific employment relations settings at CarCo and the interactions between people on the "shop floor", including the behaviour, tactics and strategies of unions and management, have determined the type of working relationship that has evolved within the organisation. This is consistent with the view of Freeman and Medoff (1984) who states that "…unionism per se is neither a plus nor a minus to productivity. What matters is how unions and management interact in the workplace" (p.179).

Bryson et al. (2005) argue that in high-trust workplaces, where there is a high degree of joint decision-making between unions and management productivity may be improved through creative bargaining over issues such as technology change, training and upgrading worker skills levels.

The experience of employees and managers at CarCo is consistent with the views expressed by Freeman and Medoff (1984) who argue that the key to unions having a positive impact on productivity is the relationship they have with management. Similarly, a cooperative employment relations climate has been consistently associated with improved employee outcomes and better economic performance. Loundes (1999) found that good

employee/management relations have a positive impact on productivity. Angle and Perry (1986) also point out that a harmonious employment relations climate has been associated with higher levels of organisational commitment and union loyalty. Organisations with a positive union/management climate also tend to place a strong emphasis on effective communication channels with their employees and tend to avoid an aggressive management style (Webster & Loundes, 2002). Pyman et al. (2010) found that where managers have a positive approach towards unions that employees were most likely to describe the employment relations climate as cooperative, and Deery and Walsh (1999) found this was also the case when employees felt their jobs were secure and they believed that they were treated fairly and justly. Katz, Kochan and Weber (1985) and Katz, Kochan and Gobeille (1983) found that in US organisations a low-trust employment relations climate, protracted negotiations over contracts and high grievance rates were associated with poor plant-level performance. In similar studies, analysis of American manufacturing organisations indicated that those with participation programs jointly administered by management and the union were positively associated with product quality improvements (Cooke 1992). Cooke (1992) also found that unionised companies achieved their goal of product quality improvement when union representatives were involved in the administration of participation programs, but not when union leaders were uninvolved. Overall, Cooke (1992) stressed the importance of joint decision-making:

> …the labour-management climate is a key determinate of whether positive collective voice effects or negative restrictive union effects are dominant. Where the labour-management climate apparently precludes joint decision-making, management seems unable, on average, to tap the full potential of employment input (Cooke 1992 p.132).

Deery and Walsh (1999) also found that unions could be influential in improving organisational performance in a study that examined the relationship between the

employment relations climate and organisational performance at a large Australian carmaker. The research indicated that employees were more motivated to help the organisation to become more efficient and productive where they believed there was a mutual trust in the relationship between management and the union, they viewed the work environment as fair, and believed the union to be effective and influential in the workplace. Deery and Walsh (1999) argue that individuals who saw their union as effective in representing and advancing their interests in the workplace were more likely to judge the employment relations climate to be positive, these employees also demonstrated higher levels of commitment to the organisation and loyalty to the union. In addition, Deery and Walsh (1999) stated that employees who perceived their union to be an effective voice in workplace matters had significantly lower levels of absenteeism:

> …where the unions are seen as effective and influential in the workplace they may actually help create a more positive industrial relations climate. Furthermore, they can play an efficiency-enhancing role by contributing to dual allegiance (Deery & Walsh, 1999, p.550).

The Australian Workplace Employment Relations Survey (AWERPS) also found that employees' assessment of the industrial relations climate in unionised workplaces were more positive when management was perceived as having a favourable approach to unions (Pyman et al., 2009).

These views of the workplace and the reported experiences of workers at CarCo have parallels with the 2007 closure of the Mitsubishi plant in South Australia in that they highlight the impact on individuals and the community of the plant closure as well as pointing to a continued "pride in the work" that sustains productivity and quality levels (Verity & Jolley, 2008; Armstrong, Bailey, de Ruyter, Mahdon & Thomas, 2008).

Using the aspects of breadth and depth of employee voice outlined by Cox et al. (2006) the following section of this chapter will demonstrate the embeddedness of employee voice at CarCo.

To address the issues outlined above the following section of this chapter will present the details of how employee voice developed and evolved at CarCo. The chapter will then present details on the extent to which employers and employees support the proposition that mechanisms of employee voice have had a positive effect on the organisation, after which the following section will turn to a presentation of details of the types of mechanisms of employee voice operating at CarCo.

Using a case study approach to investigate employee voice in eighteen UK organisations Dundon et al. (2004) determined, amongst other things, that employee voice is shaped by external regulation on one hand and internal management choices on the other. The development of employee voice at CarCo described in this section of the chapter reflects similar influences of government regulation and management choices. Employee voice at CarCo can be said to be significantly embedded in terms of the number of EV mechanisms, the types of issues that can be discussed and the impact EV has on management decisions.

The development of the employee voice arrangements in place at CarCo was initially raised in the mid-1990s during industrial relations agreement negotiations around the question of how to improve efficiency and productivity. The negotiations with trade unions gave rise to significant disagreement over how much authority management would give to work groups. The details of the introduction of work group arrangements proved more difficult, because of differences in the preferred model. Unions proposed a ‘European style’ participative and self-

directed ‘group-work’ system, while management favoured a more traditional, ‘Japanese style’, management directed, authoritative model of teams. At this time CarCo also established a workplace-based consultative committee which enabled the discussion of a broad range of issues. The establishment of the consultative committee marked a significant step in improving shopfloor/management relations and was important in the development of a group-working approach and set the tone for the evolution of employee voice at CarCo. Following a protracted period of debate, management accepted a modified form of the union’s preferred approach to group-work which remains in place at the time of writing.

Systems of employee voice are also a key aspect of industrial agreements which were contemporary with the adoption of group-working at CarCo. The influence of the AsianCarCo Production System and German style semi-autonomous production teams, which were encountered by management and worker representatives on fact-finding trips to USCarCo plants in Europe and AsianCarCo facilities in Asia (at the time AsianCarCo was a joint venture partner in Australia with CarCo) can be seen in the group-working and consultative provisions in CarCo's Enterprise Agreements from 1995 to 2015.

Following the descriptions of employee voice offered by Bryson (2004), the various committees and information sharing methods at CarCo represent a hybrid form of employee voice. Union voice is evident in the formal role afforded to them on the various consultative committees, and delegates’ forums (see Table 7.1). Direct voice is evident in the form of regular direct briefings from management held at least quarterly, ‘Town Hall’ style meetings, regular departmental briefings and HR communications. Direct communication is also evident in the department level committees and production team meetings.

In common with the role of unions in the UK described by Dundon et al. (2004), there is a statutory recognition of unions as legitimate actors in Australian legislation regulating the industrial relations system. Notwithstanding the de jure nature of union voice in the Australian employee relations system and the formally recognised role of unions in works committees and in Enterprise Agreements, the views expressed by CarCo managers interviewed for this research suggest that unions are seen as having a generally "positive" impact through enhanced two-way communication (upward and downward) and being able to represent the interests and concerns of workers without the necessity to settle disagreements through formal dispute resolution processes (e.g. in the Fair Work Commission). Having "robust" and "frank" discussions in workplace meetings is regarded by CarCo managers as a better way to achieve a mutually acceptable outcomes rather than engaging in a formal and adversarial dispute resolution process before the commission. While Holland et al. (2012) offer the view that Australian managers lack the capacity to develop sophisticated HR strategies emphasising both the role and contribution of employees, and thus keep unions "at arm's length", CarCo has both developed sophisticated HR systems and has engaged with the unions in a pragmatic and mutually beneficial working relationship. Voice at CarCo is at a mature stage of development.

The various levels of employee voice at CarCo are aligned with the view that expressing employee voice through task-based participation is an example of workers having a direct say in how their work is organised (Marchington, 2007). Contributions to management decision-making to improve quality and productivity via such things as problem solving groups, self-managed teams and suggestion schemes are examples of expressions of employee voice which are mutually beneficial to both employees and employers (Dundon et al., 2004).

Forum	Type	Who Attends	Comments
Peak Committee	Industrial	LS. SSS[1], Organisers, State Secretary	Monthly, site focus, SPQRC (Safety, People, Quality, Responsiveness, Cost Goals) & Significant issues (Plant committee reports into this)
Plant Committee	Industrial	Local Management, HRAs, SSS[1], SS[2]	Monthly, Plant focus, SPQRC (Safety, People, Quality, Responsiveness, Cost Goals) & Significant issues (Reports into Peak Committee)
Senior Shop Stewards SSS[1] T & NT[3]	Industrial	SSS, T&NT	Weekly, Site Focus, SPQRC (what's hot, what's not – Temperature Check)
Non Trades Steering Committee NTSC	Industrial Training	Management Reps, SSS, ED Representatives	Monthly, Site Focus (Plant Training Committee reports into this)
Quarterly SSS Organiser update	State of Business	RP, Organisers, SSS	Quarterly
Trades Training Steering Committee TTSC	Industrial Training	Management Reps, SSS, ED Representatives	Monthly Site Focus (Plant Training Committee reports into this)
Plant Training Committee PTC T & NT	Industrial Training	Local Management, HRAs, SSS, SS	Bi Monthly, Site Focus (Reports into NTSC and TTSC)
Plant Shop Stewards Meeting PSSM T&NT	Industrial	Local Management, SSS, SS	Weekly or fortnightly & Ad Hoc, Focus on local issues, not in all plants
Shop Stewards Meeting SSS T&NT	Industrial Union Organisers attend	Shop Stewards & Senior Shop Stewards – Trades Shop Stewards & Senior Shop Stewards – Non Trades	Fortnightly or Monthly
OH&S	Industrial OH&S	JRP, Organisers	Quarterly, Site Focus
Plant Safety Review Board PSRB	OH&S	RP, AW, MM, KP, OH&S Plant Reps, OH&S Advisors, Area Managers	Monthly, Site Focus
Elected Safety Representatives Meeting SRM	Industrial OH&S	Elected Safety Reps, nominated Union Organiser, and invited guests	Quarterly, Site Focussed – Chaired by the elected safety representative

Table 7.1 Current consultative forums at CarCo. [1] Senior Shop Stewards. [2] Shop Stewards. [3]Trades and Non Trades. (Source: CarCo company document)

Following the views of Dundon et al. (2004), the industrial agreements, joint consultative committees, shop stewards' committees and workplace committees evident at CarCo are examples of employee voice mechanisms which have a positive contribution to the industrial relations climate.

Employee voice at CarCo is a form of hybrid voice as both direct voice and union voice are present within the organisation simultaneously and act to complement each other (see Boxall & Purcell, 2011; Bryson, Gomez & Willman, 2004). The complementarity that the combination of union and direct voice offers has given rise to the development of sophisticated human resource management strategies at CarCo that focus on the positive contribution of employees. Management at CarCo also sees unions as a complementary communication channel and partner. CarCo management views the unions as providing an important element in a 'bundle' of voice mechanisms for the effective management of employee relations (Holland et al., 2011; Bryson, 2004; Guest, 1995; Storey, 1992). Employee voice mechanisms put in place by management at CarCo have developed overtime to cover a broad sweep of EV activities.

CarCo has established a number of consultative forums (see Table 7.1) which include works councils/joint consultative committees. The frequency of meeting for the highest level committees (Peak and Plant) is monthly and these committees have been formally established within the CarCo enterprise level industrial agreements since the mid-1990s (see Table 7.2). Dundon et al. (2004) argue that partnership agreements, joint consultative committees and works councils are examples of mechanisms of employee voice which act to achieve long term viability for the organisation and its employees. This is similar to the proposition advanced by Marchington and Wilkinson (2000) in their discussion of the degree, level and

range of employee participation and places the consultative forums at CarCo on the third step of the Escalator of Participation (see figure 2.1 in Chapter 2). The governance role of the Peak and Plant committees at CarCo operates in a manner that is consistent with the role of EV as a non-adversarial process of achieving mutually beneficial outcomes for employees and employers (Dundon et al., 2004).

Agreement	Consultative Committee	Union Meetings	Stated Preference for Collective Bargaining	Stated Forms of Employee Representation	OH&S Committee
1998 – 2001	Yes	Formal Recognition	Yes	Via Union	Yes
2001 – 2004	Yes	Formal Recognition	Yes	Via Union, Plant and Site Committees	Yes
2004 – 2007	Yes	Formal Recognition	Yes	Via Union, Plant and Site Committees	Yes
2007 – 2011	Yes	Formal Recognition	Yes	Via Union, Plant and Site Committees	Yes
2011 – 2014	Yes	Formal Recognition	Yes	Via Union, Plant and Site Committees	Yes
2014 - 2017	Yes	Formal Recognition	Yes	Via Union, Plant and Site Committees	Yes

Table 7.2 Summary of Employee Voice Mechanisms in CarCo Enterprise Agreements Currently in use
Fair Work Australia, online database of agreements, https://www.fwc.gov.au/awards-and-agreements/agreements/find-agreement, accessed January – August 2015.

The formal recognition and inclusion of unions in the peak consultative forums at CarCo is also consistent with the views outlined in the literature that union voice can be a balance to the unchecked views of management (see for example Holland, 2014; Tailby et al., 2007; Dundon et al., 2004). According to Pyman et al. (2010) a sophisticated approach to engaging with employees integrates multiple stakeholder perspectives in governance structures, in this way the presence of union representatives can act to provide a safeguard against unrestrained managerial prerogative and underscore the view that it is important that management has checks and balances in place to ensure they don't damage the employment relationship. As senior members of the unions representing the workers at CarCo (e.g. AMWU State Secretary and AMWU Vehicle Division State Secretary) are on the peak consultative forums their presence can be said to act as a moderator of the employment relationship and help to deliver procedural fairness and organisational justice (Tailby, Richardson, Upchurch, Danford, & Stewart, 2007).

The inclusion of senior union officials also represents a more effective mechanism for providing a counterbalancing perspective on organisational issues. The presence of senior union representatives in consultative committees at CarCo also overcomes the view expressed by Marchington (2005) that direct voice systems suffer from the potential flaw of acting without consultation. This also aligns with the argument of Kaufman (2003) who points out that direct voice systems do not have access to independent sources of advice or assistance. The power relationships at CarCo can be argued to be in a more balanced state of equilibrium than would be the case if senior union representation was absent from the governance committees. Wilkinson et al. (2004) and Terry (1999) question the effectiveness of not including unions in similar organisational governance forums and point out that non-union voice mechanisms are more vulnerable to the exercise of managerial prerogative,

influence and control. Consequently, employee perceptions that a relationship that is not genuine, but is instead built on rhetoric, can potentially negate the benefits of direct voice and non-union employee representation (Marchington, 2005). The absence of union representation can potentially become a means of deflecting employees away from union membership (union voice), and ultimately disenchantment and distrust with the system will undermine its effectiveness.

As was pointed out in the Australian Productivity Commission Inquiry Report into Australia's Automotive Manufacturing Industry (Australian Productivity Commission, 2014), the external factors of the broader national and international economy have impacted negatively on the automotive industry in Australia generally as well as CarCo specifically. Other external factors such as the national system of labour market regulation and organisational size have also influenced the development of EV at CarCo (Marginson et al., 2009; Brewster et al., 2007; Hyman, 2004; Kaufman, 2004). Thus, it is not unexpected that the Australian system of labour market regulation, which is characterised by a historical and enduring de jure legitimacy of the role of trade unions in representing employees' interests, has influenced the shape and nature of employee voice process and systems at CarCo to the extent that unions have a formally recognised and accepted seat at the table.

As well as being mindful of the impact of externalities on the development of EV, Marginson (2009) addresses the importance of management style and attitude in determining the nature and characteristics of EV arrangements. This is consistent with the views expressed by managers who were interviewed at CarCo that engagement via an open and honest dialogue with employees and unions was a necessary aspect of organisational effectiveness. The scope of management initiatives used to engage with the workforce, and to solicit engagement with

the organisation from them, at CarCo is listed in Table 7.3. The initiatives listed in Table 7.3 include downward communication from management, as well as mechanisms to collect information to communicate upwards. For example, the Workplace of Choice survey and communications surveys are used by CarCo management to track employee engagement as well as identify problem areas with regard to the mood and sentiment of the workforce. There is also evidence of mechanisms intended to reduce the sense of 'us and them' between management and factory workers such as the diagonal slice meetings which are management briefing groups with membership drawn from across functional areas (horizontal) and organisational levels (vertical), and management staff being required to work an overtime shift in a production area each week. One CarCo manager expressed the view that while initially wary of the idea, working in a production area was a very positive experience in that he could see firsthand some of the conditions and issues experienced by the factory workers as well as be able to dispel rumours by explaining to workers on the line the nature and intent of management policy.

Focus on our people
Tell it as it is/no unnecessary secrecy
Diagonal slices[1] weekly (daily as required)
Implementation of early-release program
Focus on the 'why' instead of the 'how'.
Celebrating business successes with BBQs, morning teas.
Daily production walks
Management works production cells on overtime.
Increased communication (Konnective app, comms surveys)
Recognition built into BPD process. Focus on good behavioural traits.
Site-wide engagement/family activities (classic car events, open days, charity support, reward and recognition) and implementation of Workplace of Choice (WOC) committees in each shop.

Table 7.3 CarCo Employee Voice strategies employed, (Source: CarCo company document)

[1] Management briefing group with membership drawn from across functional areas (horizontal) and organisational levels (vertical).

The CarCo enterprise agreements from the early 1990s to 2014 include explicit reference to the peak consultative council as well as an explicit recognition of the role of the unions as bargaining representative for the workforce. This period of time spans the incumbency of a Liberal/National Party coalition Federal government which introduced industrial relations legislation aimed at facilitating alternative mechanisms to union brokered collective bargaining and promoting individual contracts of employment. The theoretical discussion surrounding participation and EV has been evolving over the past three decades and has also taken place in the context of changes to the global economy over the same time period (Holland 2014). Economic changes have similarly been instrumental in the evolution of various perspectives on why approaches to employee participation have waxed and waned. For example, Ramsey (1983) holds that management interest in employee participation is connected to the power, strength and influence of unions within the workplace. As union power increases, management will seek out alternative employee voice mechanisms as a means to blunt or negate union influence. It also follows that if union power, strength and influence are perceived to be weakening, management will lose interest in these alternative employee voice arrangements. Similarly, Marchington (1994) holds that management interest in employee voice mechanisms is part of a strategy to maintain a hold on control when the legitimacy of management control is under threat. Thus management will only actively engage with employee participation when their control of the organisation is perceived to be weakening, and even then, their engagement is superficial and temporary rather than deep and enduring. However, the longevity of employee voice mechanisms at CarCo runs contrary to this argument. The CarCo enterprise agreements have included explicit reference to the status and role of the peak consultative council as well as an explicit recognition of the role of the unions as bargaining representative for the workforce. The formal recognition of unions is also illustrated by the inclusion of the AMWU state secretary and the secretary for the AMWU vehicle division on the peak consultative committee along with senior shop stewards. These industrial agreements with conditions explicitly favouring hybrid voice span a period of time which includes an Australian Federal Labor government, with industrial regulation legislation facilitating collective agreements, and a Federal Liberal/National Partly

Coalition government, which would have enabled CarCo management to reduce the role of unions within the organisation by implementing aspects of the Work Choices legislation facilitating individual workplace agreements. That hybrid voice has survived and thrived at CarCo, despite the changes to government policy which at times acted to support or militate against it, can be appreciated with reference to research reported in the literature.

The development of EV at CarCo accords with research evidence from elsewhere (e.g. Boxall & Purcell, 2011; Millward et al., 2000; Marchington et al., 1993; Marchington, 1992) pointing to an increase in employee participation and EV at the same time that there was a decline in union power. The theory that developed to explain this alternative view is based upon waves of intent (wave theory). Wave theory argues that management interest in participation is not initiated by a set of common circumstances. Waves of participation take various forms and have varying impact and longevity (Marchington, 1994). According to Marchington (2005), the incentive for the wave of increased interest in participation from the 1980s was founded on increasing global competitiveness, which required that management seek continuous improvements in products, services and work organisation. Adding to the focus on global competitiveness for advanced market economies was the shift from a traditional manufacturing economy to a knowledge-based and service-based economy. This shift to a knowledge-based and service-based economy has increased the focus on the key resource of human capital, and ways to engage these human resources (Boxall and Purcell 2011). The employee engagement and communication strategies at CarCo are consistent with the views of Marchington (2005) and Boxall and Purcell (2011) who provide an explanation for the development of sophisticated HRM strategies of employee engagement within an organisation. The CarCo focus on communication, employee engagement and the use of organisation climate surveys to obtain performance metrics for evidence based decision making around HR issues and a focus on the development of human capital are elements in the range of HR approaches developed by CarCo in response to global competition.

Consistent with the view of Marchington (2005), the focus on utilising human capital as an effective response to global competition at CarCo has led to the development of a suite of approaches by management pursuing ways to harness the creativity and productivity of employees through cooperative practices. Amongst these cooperative practices are such things as information-sharing, consultation processes, participative decision-making and communication via social media and smart phone applications. The focus on employee engagement and open two-way communication at CarCo helps to explain the diversity and longevity of various forms of participation within the organisation.

That the mechanisms supporting EV have been sustained over time at CarCo can also be understood in terms of the 'favourable conjunctures' model posited by Poole, Lansbury and Wailes (1999) which sets out to reconcile the cycles of control and wave theories. The favourable conjunctures model suggests that when a combination of favourable conditions arises at both the macro and micro levels, increased participation will occur. Poole et al. (1999) isolated four major factors that explain the level of participation:

- macro conditions (economic conditions and culture);
- the strategic choices of actors (at the level of the firm);
- the power of actors (management and trade unions); and,
- organisational structures and processes (linked to increased organisational de-layering and need for devolved expertise and decision-making within the organisation).

In response to the macro conditions (economic and consumer attitudes) the increased competition in the Australian automobile market that followed on from falling tariffs precipitating a rise in competition from imported vehicles, and changes to labour market regulation have led to a sharper focus on the connection between organisational performance and internal resources and relationships at CarCo. This has also been the case with other advanced market economies (Kepes & Delery, 2007; Lansbury & Wailes, 2003). Along with

Australian companies in other industries, CarCo has undergone workplace restructuring and changes to procedural flexibility, reducing layers of management and devolving operational decision-making closer to the line. According to Lindbeck and Snower (1994) the breakdown of hierarchies through progressive de-layering in workplaces has devolved decision-making throughout the organisation, and with increased levels of employee education and sophistication. Blyton and Turnbull (1998) argue that specialist knowledge is increasingly located away from the apex of the organisation, thus management is required to develop more cooperative approaches to secure increased commitment from skilled and essential employees in order to build organisational effectiveness and efficiency. The transition to work teams at CarCo and the introduction of a range of consultative and task-oriented committees (e.g. OH&S) has increasingly devolved operational decision making to the production line level. The increase in EV via consultative committees at higher levels in the organisation (see Table 7.1) illustrate how management decision-making is exposed to being influenced by cooperative approaches.

At CarCo the favourable conjunctures for improved cooperation in the workplace (Poole et al. 1999) are associated with the development of human resource management strategies which emphasise direct communication and relationship building within the organisation as can be seen with the use of smart phone applications, Workplace of Choice surveys and frequent open communication from management in the form of 'Town Hall' style briefing sessions. As is consistent with the EV literature reporting on organisations elsewhere (Boxall & Purcell, 2011; Holland et al., 2011), these strategies have had a considerable impact on CarCo's sustained effectiveness and productivity. The approach chosen by CarCo to develop employee voice has proven to be critical in terms of engaging an increasingly sophisticated and better educated workforce. Downward and two-way communication via online resources, smartphone push messaging apps and social media have connected effectively with the younger and more technologically savvy members of the workforce (Holland, Cooper & Hecker, 2015). Blyton and Turnbull (1998) argue that the difference in modern forms of

participation is a conscious shift in focus away from power and control toward strategies that engage employees as a means to build both commitment and a sustainable competitive advantage.

It is further argued that the presence of unions may be helpful to the development of sophisticated human resource management processes, even if unions themselves are not directly involved. Therefore, the existence of mechanisms of employee involvement and participation through alternative means may not necessarily be evidence of overtly anti-union management sentiment (Holland et al., 2011; Pyman et al., 2009). Prior to the 2013 announcement to end manufacturing, CarCo constructed the longer-term efficiency and effectiveness of the organisation on systems of employee participation and cooperation, which were aimed at providing long term security for employees (Holland, 2014). This scenario of mutual benefit may help to explain the seemingly paradoxical set of circumstances which include on the one hand the erosion of union power and on the other hand the rise of interest in participative work practices (Boxall & Purcell, 2011).

Bryson (2004) forwards a view that union voice is present when the organisation has at least one of the following; trade union(s) recognised by the employer for pay bargaining, an on-site union representative, or a joint consultative committee with one or more representatives chosen through union channels. Direct voice is present when there are regular meetings between management and the whole workforce, or briefing groups, or problem-solving groups. As previously demonstrated employee voice at CarCo has the characteristics of both union voice and direct voice present in the organisation and as such meets Bryson's (2004) conditions to be defined as hybrid voice. The description of hybrid voice presented in literature review shows that the presence of direct voice and union voice within an organisation can potentially complement each other (see Boxall & Purcell, 2011; Bryson,

Gomez & Willman, 2004). For some authors (Holland et al., 2011; Bryson, 2004; Guest, 1995; Storey, 1992) the complimentary nature of hybrid voice holds within it the opportunities for developing sophisticated human resource management strategies that focus on the contribution of employees and for management to positively engage with unions as a complementary communication channel and partner.

At CarCo the highest levels of joint consultative committees have the union state secretary, union vehicle division state secretary, senior shop stewards and shop stewards as standing members at all monthly meetings (see Table 7.1). Based on the view that multiple channels of communication are better able to facilitate effective employee communication, involvement and participation across a broad spectrum of workplace issues, Bryson (2004) argues that a hybrid system of multiple voice mechanisms better reflects the composition and diverse needs of a contemporary workforce. This, suggests Bryson (2004), enhances the quality of relations between management and employees. Bryson (2004) also suggests that trade union effectiveness may increase under hybrid arrangements through the provision of additional information and influence. By explicitly including union representation on a range of consultative committees, CarCo management is opening its decision making to alternative points of view by engaging with unions positively through open information sharing and soliciting constructive input from union representatives on issues under active deliberation.

Boxall and Purcell (2011) contend that the use of hybrid voice arrangements means that it is the responsibility of management to invest time and money in employee communication strategies while at the same time engaging with union-based collective consultation and bargaining, all driven by the promise of mutual gains. More significant than the investment of time and money, according to Bryson (2004), is that the adoption of hybrid voice systems

also means that management must embrace a new way of working, accept dual authority and be prepared to share power with trade unions. Management must also accept the trust that comes with a hybrid voice arrangement (Bryson, 2004). Pyman et al. (2013) argue that this may be easier said than done. Management at all levels of the organisation may find it difficult to accept the proposition that in order to develop and maintain a hybrid voice system they must share power (Pyman et al., 2013). The formal recognition of unions at CarCo, by their presence on consultative committees and status as the bargaining agent in industrial agreements, is also confirmed by the responses of interviewees, which points to the acceptance of a limited form of power sharing and dual authority at CarCo.

Bryson (2004) argues that what is critical in determining the form and operation of hybrid voice arrangements and the overall relationship between management, employees and unions is management's responses, cultural values, ability and resource allocation. The managers interviewed gave a range of responses with respect to the question of shared authority. The most clearly articulated view was that the role of unions at CarCo was that of partner in achieving organisational goals. This view was proffered by a senior HR manager with the caveat that the "… business is run by management … we make the decisions". The power sharing at CarCo is still bounded by the traditional defining interests that identify the ultimate role and constituencies of unions and management respectively as employee interests and business performance (shareholder return on investment). While it can be expected that the community of interest that exists between unions and management with regard to the ongoing success of the organisation will be mutually beneficial while there is a future mutual benefit to be had, the imminent closure of the organisation puts a question mark on the sustainability of mutuality and harmony.

The views expressed by union leaders, senior shop stewards and shop stewards were consistent in their theme of the community of interest based on mutual benefit being an ongoing aspect of the employment relationship at CarCo. Pragmatically, one senior shop steward made the point that even though the closure announcement had been made they were "… still coming into work … still making cars" and that "… people still need to be looked after". Expressing a similar view, one front line manager said that for the most part, and with the exception of a few younger and perhaps more mobile managers "… I've got a job to do and production targets to meet … [but] … we're all in the same boat … we'll all be looking for another job when the factory closes". On a human level the closure of CarCo as a manufacturer seems to have made the bonds of mutuality stronger, albeit now based on a shared fate that will befall managers and line workers alike.

7.3.2 Do employers and employees support the proposition that mechanisms of employee voice have had a positive effect on the organisation?

The research reported in this thesis points to the mechanisms supporting hybrid voice at CarCo being parts of a mature (pluralist) voice system which have contributed to the development of an industrial relations climate which is not characterised by a reliance on formal dispute resolution. There is evidence of mutual trust between employees and their employer which can yield mutually acceptable settlement of disagreements without recourse to formal and adversarial dispute resolution mechanisms.

The view formed by Holland et al. in 2012 that Australian managers lack the capacity to develop sophisticated HR strategies and keep unions "at arm's length" is at odds with the employee relations practices at CarCo. This is possibly an indication of the rapid development of sophisticated HR and a maturing of employee voice in Australian manufacturing over the last 4 years or is possibly driven by the exigencies since the 2013

closure announcement, but specifically within CarCo and the car manufacturing industry. The example of how mature hybrid voice operates at CarCo is instructive as a model of employee participation in a complex manufacturing organisation. The role of employee participation in the wind-down phase of CarCo, with employee/management relations being supported by mature hybrid voice systems, is a critical area for research in Australian employee relations and as such can address a lacuna in the Australian and international literature on the topic. The success of the organisation in terms of longevity, productivity and profitability has been overtaken by economic factors and political decisions beyond the capacity of the organisation to influence. However, for the company the continuation of "robust" and "frank" discussions in the workplace as the departure packages are defined and outplacement arrangements made, without a steep increase in matters before the commission, suggests that a mature form of hybrid voice operates at CarCo. It was also noted by the senior HR managers interviewed that CarCo will continue as a business in Australia after the cessation of manufacturing operations, and there is planned to be a substantial and operationally diverse, albeit smaller, workforce. It is planned that there will be, amongst other functions yet to be determined, the continuation of engineering, design and product development, marketing, distribution and the maintenance of a significant parts warehouse and distribution centre with the attendant administrative and clerical functions to support them. The mechanisms of employee voice that have evolved at CarCo will continue into the new business.

7.3.3 What mechanisms for employee voice exist in the organisation?

The challenge of describing employee voice mechanisms is that descriptions assume a mutually accepted, unchanging and unambiguous definition of what a particular mechanism means in practice. However, the in-house title that a company uses for a mechanism enabling employee voice may be the same as that used by other companies, but it may have a different function or be understood differently (Dundon et al., 2004). It would be an insurmountable

challenge within the constraints of this research to capture all of the names given to employee voice mechanisms in various organisations and develop a set of definitions for each. For the purpose of discussing employee voice at CarCo this thesis will use the titles and descriptions provided by the organisation and other stakeholders interviewed.

While there is a list of employee voice mechanisms that was provided to the researcher by CarCo, it became apparent during interviews with CarCo managers and union officials that rather than there being one single way in which each was understood or interpreted, some mechanisms were understood or interpreted differently by the various interviewees. Although the differences were for the most part relatively minor and related to procedural or process details (or titles) in most cases, some pointed to fundamental philosophical differences in understandings of the relationship between management and unions. For example, one production department frontline manager's perception of the role of the monthly consultative committees was that they were primarily aimed at informing the workforce and unions about decisions already made by management, whereas one senior shop steward saw the same meetings as being primarily a joint decision-making forum that operated as a mechanism of "checks and balances" to review – not necessarily always endorse or agree to implement – management plans. When asked for clarification on this variance in interpretation, one senior HR manager at CarCo said that the consultative committees did have a significant role to play in shaping and improving organisational practices through a "checks and balances" process of review, and they did have an influence on management decisions. However, the senior HR manager went on to say that "… at the end of the day we [management] make the decisions".

Following the approach of Dundon et al. (2004) the employee voice mechanisms at CarCo can be understood in terms of the four categories shown in Table 7.4. The categories are,

employee voice as; articulation of individual dissatisfaction, expression of collective organisation, contribution to management decision making and demonstration of mutuality and co-operative relations. To these four can be added the category of direct voice; downward communication from management to employees in the form of management briefings and other Q&A forums. However, one-way and two-way, downward communication from management is an aspect of direct voice, and as such it is also an aspect of hybrid voice (Holland et al., 2011; Bryson, Gomez, Kretschmer & Willman, 2007) and its inclusion is consistent with the interpretation of employee voice at CarCo being an example of hybrid voice.

Voice as:	Purpose and articulation of voice	Mechanisms and practices for voice	Range of outcomes
Articulation of individual dissatisfaction	To rectify a problem with management or prevent deterioration in relations	Complaint to line manager Grievance procedure Speak-up programme	Exit – loyalty
Expression of collective organisation	To provide a countervailing source of power to management	Union recognition Collective bargaining Industrial action	Partnership – de-recognition
Contribution to management decision-making	To seek improvements in work organisation, quality and productivity	Upward problem-solving groups Quality circles Suggestion schemes Attitude surveys Self-managed teams	Identity and commitment – disillusionment and apathy Improved performance
Demonstration of mutuality and co-operative relations	To achieve long-term viability for the organisation and its employees	Partnership agreements Joint consultative committees Works councils	Significant influence over management – marginalization and sweetheart deals

Table 7.4 Types and purpose of employee voice (Dundon, Wilkinson, Marchington & Ackers, 2004, p.1152)

The following section describes employee voice at CarCo which, following the model of Dundon et al. (2004) includes; articulation of individual dissatisfaction; frontline grievance resolution (direct, individual voice, first step of a tiered process if necessary), and shop stewards and line manager/supervisor discussion of grievance issues.

Dundon et al. (2004) state that the purpose of EV used as the articulation of individual dissatisfaction is to rectify a problem with management or prevent any deterioration in relations. Marchington (2007) outlines a three-part framework for analysing direct voice; the three elements are task-based participation, upward problem-solving, and complaints about fair treatment. In line with the third element of Marchington's framework, interviewees from frontline management, senior shop stewards and union leadership provided a consistent description of frontline grievance resolution at CarCo. It was reported that the custom and practice at CarCo is that complaints about fair treatment, be they task related or an interpersonal dispute, are encouraged to be resolved at the lowest organisational level and informally if possible. Overlapping with the preference for direct and lowest level practical resolution of issues is the process described by one union senior shop steward as a 'quiet chat' between the shop steward and the frontline manager. This informal consultation with the line level union representative was consistently reported by management and union interviewees as being the desired first step of grievance resolution. It was suggested by one front line manager that working with the shop steward at the initial, informal stage of a grievance would often avoid having the matter escalate through the steps of a tiered formal process. He wanted any grievance problem to 'go away' as quickly as possible so that he could get back to focussing on 'real work' and having the shop steward involved helped to resolve things quickly.

Shop stewards and line manager/supervisor discussions of grievance issues is empowering to both the parties in the discussion. The process empowers the line manager by acknowledging and affirming their authority to resolve disputed issue without referring them to a 'higher authority'. One department manager interviewed stated that the informal process of grievance resolution enabled his line managers to show leadership and make decisions. The aspect of empowerment also extends to the shopfloor staff and union representatives, one senior shop steward stated that the 'open door' was as much about respect for the role of the shop steward to represent workers as it was about management being 'approachable'.

Bryson (2004) also suggests that trade union effectiveness may increase under hybrid arrangements through the provision of additional information and influence. Union representatives who were interviewed were consistent in reporting that the access they have to company information has allowed them to better represent the workforce at CarCo. It was also reported by senior shop stewards that the rapport that has emerged from working with management on various committees has also enhanced their ability to represent the workforce through the ability to have constructive informal discussions at the frontline and departmental management levels without the need to escalate to formal grievance resolution processes.

The following section describes employee voice at CarCo in terms of expression of collective organisation, which, following the model of Dundon et al. (2004) includes; shop stewards meetings; senior shop stewards meetings; work area OH&S briefings/meetings; whole of plant OH&S briefings/meetings; union recognition for EBA negotiations; union officials present on consultative forums.

Dundon et al. (2004) argue that the use of EV as an expression of collective organisation acts to provide a countervailing source of power to that of management. The role of union instrumentality in influencing positive trust in management and fostering a positive industrial relations climate has been described directly and indirectly by a number of authors (e.g. Holland et al., 2011; Bryson, Charlwood & Forth, 2006; Bryson, 2004; Deery, Erwin & Iverson, 1999). Aspects of union instrumentality are, inter alia, the formal recognition of union representation in collective bargaining and membership of joint consultative committees, as well as regular union representative meetings at the workplace level. At CarCo it was observed that union shop stewards and senior shop stewards were granted time by the company to attend regular meetings. The shop stewards and senior shop stewards' meetings are not required to report to management about the items discussed in them, nor are they attended by management representatives.

Work area and whole of plant OH&S briefings/meetings (workplace health and safety, WHS, is referred to as occupational health and safety at CarCo) require that there is union representation. Workplace safety in the manufacturing setting at CarCo acknowledges that specific and unique hazards exist depending on the work area and the nature of the tasks undertaken in them. The WHS legislation at both Federal and State levels encourages the establishment of committees of workers and management to develop and review health and safety policies and procedures for the workplace. Yet legislation in both the Federal and State jurisdictions is silent when it comes to the explicit inclusion of union representation on workplace health and safety committees. Union and management interviewees alike at CarCo saw the formal inclusion of union representatives on such committees as unremarkable and "expected". As is shown in Table 7.1, CarCo identifies the Plant Safety Review Board, OH&S committee and the Elected Safety Representatives Meeting as being 'industrial'

meetings and formally endorses the participation of union representatives as standing members of the committees.

All CarCo enterprise agreements from the 1990s through to the 2015 agreement have included a stated preference of collective bargaining and explicitly nominated the union as formal representative for employee in negotiations. The enterprise agreements also all contain formal provision for union meetings (shop stewards and senior shop stewards) as well as standing membership on joint consultative committees.

The following section describes contribution to management decision making at CarCo which, following the model of Dundon et al. (2004) includes; shift start meeting; work group meeting and supervisor briefings 'Talkies'; employees of the month scheme; HR communications; workplace of choice program (organisational climate survey) and social media.

Dundon et al. (2004) propose that EV can contribute to management decision making and is used to seek improvements in work organisation, quality and productivity. CarCo has shift start meetings and supervisor briefings (Talkies) for production areas which are focussed on production targets, processes and task allocation, as well as work group meeting which are focussed more on the team. Cox, Zagelmeyer and Marchington (2006) argue that expressing voice via work group participation is an integral part of the job and it is a part of everyday working life, rather than being an additional or external element of the job as is the case for off-line teams. It can occur as a horizontal aspect of the job and as such encompasses the number and variety of tasks which workers perform at the same skill level in an organisation. Marchington (2007) also suggests that expressing employee voice through task-based

participation is an example of workers having a direct say in how their work is organised. It is in the smaller work group meetings at CarCo that discussions about task allocation and problem-solving take place amongst the staff; however, the scope of these activities is still bounded by official 'sign-off' by the supervisor. Tasks are allocated by the supervisor and problem-solving suggestions are taken to the supervisor, not implemented independently.

Marchington (2007) states that team-based work arrangements are HR techniques, 'adding value' with the aim of achieving organisational goals, they are intended to give workers a chance to contribute to managerial decision-making, either in their daily work or via management processes that tap into employees' skills and ideas. Marchington (2007) also notes that voice within team-based work arrangements plays a role in articulating employee concerns about management style and practice beyond discussions of how work in the group is organized. Marchington (2007) suggests that voice can be seen as an alternative to exit and thus, amongst other things, helps to reduced levels of labour turnover. He goes on to posit that it may also help to identify and remove supervisors who treat workers badly or who are poor communicators, and so help to improve productivity through the provision of a fairer deal at work. The view from one CarCo department manager was that a 'good' supervisor should work with the work group and "take on board" the ideas and suggestions of the line staff. One CarCo line manager also pointed out that over and above telling staff the 'what', 'when', 'where' and 'how' of tasks, a significant amount of time is spent consulting with the workers and explaining 'why' things had to be done in a particular way, the tone and context of the comment suggested that the manager felt the time could be better spent 'getting on with the job'. It was not expressly stated in any interviews that any supervisors or front line managers had been removed from their role or otherwise disciplined for poor treatment of workers or having poor communication skills, however, a senior shop steward suggested that

from time to time he had needed to ‘go over the head’ of less experienced supervisors to ‘calm things down’ so that a workplace problem could be resolved.

The bounded nature of the work groups’ scope of autonomy is consistent with the description of the genesis of work groups (teams) at CarCo given by a senior union official. The union wanted ‘European’ style, semi-autonomous work groups and management preferred a structure closer to the Japanese model. The model that has emerged at CarCo falls between the two points, albeit with more autonomy that the Japanese model. In practical operational terms, the experience and attitude of the department manager and the work group supervisor, to an extent, determine the level of autonomy of the work group. Notwithstanding the variability in autonomy that this implies, the relationship between management and line staff that was described by union and management interviewees entails a significant amount of formal and informal dialogue which is predicated on employees exercising upward direct voice.

Demonstration of mutuality and co-operative relations Consultative forums

Dundon et al. (2004) argue that partnership agreements, joint consultative committees and works councils are examples of mechanisms of employee voice which act to achieve long term viability for the organisation and its employees. CarCo supports a broad range of joint consultative committees which range from a whole-of-site committee which meets monthly to shopfloor departmental and workgroup meetings. The peak representative bodies have a standing membership of management, CarCo senior shop stewards, shop stewards and the state secretary of the AMWU as well as the state secretary of the AMWU Vehicle Division (see Table 7.1).

The highest level committees (Peak and Plant) meet monthly and these committees have been formally established within the CarCo enterprise level industrial agreements since the 1990s (see Table 7.1). Following the typology of Marchington and Wilkinson (2000) in their discussion of the degree, level and range of employee participation the consultative forums at CarCo can be placed on the third step of the Escalator of Participation (see figure 2.1 in Chapter 2). The Peak and Plant committees at CarCo have a governance role that operates in a manner that is consistent with EV as a non-adversarial process of achieving mutually beneficial outcomes for employees and employers (Dundon et al., 2004).

The formal inclusion of unions in the peak consultative forums at CarCo is consistent with the view that union voice can be a counterbalance to the views of management that otherwise might go unchecked (see for example Holland, 2014; Tailby et al., 2007; Dundon et al., 2004). Holland et al. (2007) argue that sophisticated governance structures are able to engage with employees and integrate multiple stakeholder perspectives to provide a safeguard against unrestrained managerial prerogative. This also supports the view that it is important for management to have checks and balances in place to avoid damage to the employment relationship. The presence of senior members of the unions representing the workers at CarCo as standing members of the peak consultative forums can be seen to act as a moderator of the employment relationship and help to ensure organisational justice and procedural fairness (Tailby et al., 2007).

The inclusion of senior union officials also represents an effective means of providing an independent perspective on organisational issues and also overcomes the view expressed by Marchington (2005) that direct voice systems suffer from the potential flaw of acting without

consultation and also aligns with the argument of Kaufman (2003) who points out that direct voice systems do not have access to independent sources of advice or assistance. Similarly, Wilkinson et al. (2004) and Terry (1999) point out that non-union voice mechanisms are more vulnerable to the exercise of managerial prerogative, influence and control. Consequently, if employee perceptions are that the working of a consultative committee are not genuine and that they are built on management rhetoric it can potentially negate the benefits of direct voice (Marchington, 2005).

The following section describes direct voice – downward communication from management at CarCo which, following the model of Dundon et al. (2004) includes; management briefings – whole of plant (one way messaging); management briefings – department (one way messaging and two-way, questions taken/interactive); 'Town Hall' meetings – whole of plant (two-way, questions taken/interactive); 'Twitter' style smartphone app (push information); company profile on Linked-In; CarCo company news on the corporate communications web page (externally accessible) and CarCo company news on the corporate intranet site (internally accessible only).

According to Dundon et al. (2004) direct voice is the downward communication of information from management, the purpose of which is to present the management perspective on business issues. Direct voice at CarCo via management briefings at the plant and department level has resulted in adjustments being made to management plans in response to feedback received from the workforce. At the time of a site visit by the researcher, feedback from employees had modified some aspects of the outplacement support offered to workers who had accepted a voluntary departure package; this is consistent with the view that direct voice offers employees the potential to increase managerial responsiveness (Holland et al., 2011; Pyman et al., 2010; Bryson, 2004). The direct voice

aspect of hybrid voice at CarCo also accords with Holland's (2014) view that direct voice is best suited to a contemporary workplace and Bryson's (2004) claim that when management has a direct relationship with the workforce it can identify issues quickly and deal with them.

In line with the idea of employees being a source of competitive advantage, the mechanisms of direct voice at CarCo allows management to "tap into" the workforce as a source of knowledge (Boxall & Purcell, 2011). The direct voice mechanisms at CarCo also echo the view of Cox, Zagelmeyer and Marchington (2006) that investment in the voice mechanisms is required for the successful development of a human resource management system that focuses on building a high level of communication, commitment and engagement between the parties to ensure an ongoing fit. As is consistent with Holland (2014) direct voice systems at CarCo are proactively managed and resourced. One example of this is that a warehouse area on site is periodically cleared and equipped with 'roving microphones' for management briefings; similarly, a smartphone app is used for 'twitter' style information to be pushed to employee phones. It was a consistent theme in interviews with CarCo managers that the objectives and implementation of direct voice mechanisms are intended to develop shared mutual interest and to ensure that organisational goals are achieved; this is in line with the prescription for effective direct voice expressed by Boxall and Purcell (2011).

Marchington (2005) raises the point that direct voice systems suffer from a lack of available sanctions for managerial non-compliance with decisions or for acting without consultation, Kaufman (2003) also points out that direct voice systems do not have access to independent sources of advice or assistance. However, the countervailing influence of the ubiquitous union presence at CarCo, as well as the deeply embedded role of union representation from the shopfloor to the peak consultative committees and as bargaining agent for industrial

agreements acts to support rather than undermine direct voice mechanisms. This has avoided the disenchantment and distrust with direct voice at CarCo that could undermine its effectiveness, which Marchington (2005) warns might be the fate of direct voice mechanism that are perceived by the shopfloor as not genuine and built on management rhetoric.

Bryson (2004) has posited that having multiple voice mechanisms better reflects the diversity of the contemporary workforce; in an online interview, the executive director of HR at CarCo stated that the multiple channels of communication in the organisation have been able to ensure more effective employee communication, involvement and participation across a broad range of workplace issues, thus, increasing the quality of relations between management and employees. The senior HR manager supported this view by stating that a range of organisational performance measures have remained positive, or improved, in the months following the announcement that CarCo would be ending manufacturing operations in Australia. The evolution of hybrid employee voice at CarCo illustrates that management is prepared to adopt complex and complementary voice systems as part of initiatives to improve organisational effectiveness (Boxall et al., 2007; Kersley et al., 2006; Guest et al., 2003).

Management briefings at CarCo take place regularly, at least quarterly, and in a number of different formats. Bryson (2004) forwards a view that direct voice is present when there are regular meetings between management and the whole workforce, briefing groups, or problem-solving groups and these forms of direct communication are used by management at CarCo. As a form of one-way messaging with limited or no opportunity for questions, management briefings are conducted on a whole of plant and whole of department level. One CarCo manager referred to these as ‘state of the nation’ briefings. The briefings are delivered by the most senior manager available, usually the CEO for whole of plant briefings, and

content is focussed on critical business information. The other form of management briefing at CarCo is conducted as an open forum, or 'Town Hall' style meeting. The open forum meetings are less frequent, and one manager said they usually take place two or three times a year. A senior HR manager explained that the open forums were logistically challenging as a large area of the factory had to be set up to accommodate all of the staff and a sound system installed with roving microphones for audience questions. The meetings also 'cut into production time' as they are held during a shift and production is paused for the duration of the meeting. The same senior HR manager also said that even though a lot of audience questions come from the "… same people all the time …", there are usually still some questions from people who don't normally speak up. The CarCo workforce is reflective of the general population in that it includes people from diverse national backgrounds and has a significant number of people who speak a language other than English at home. It was suggested to the senior HR manager that this diversity may account for some staff not speaking up at open forum meetings; however, the senior HR manager didn't feel it was a significant barrier to participation.

A review and summary of the types and purpose of employee voice mechanisms at CarCo is provide in Table 7.5. The summary review presents the various forms of employee voice mechanisms at CarCo and compares them to the descriptions of employee voice mechanisms articulated by Dundon et al. (2004).

Voice as:	Purpose and articulation of voice	Example at CarCo
Articulation of Individual dissatisfaction	To rectify a problem with management or prevent deterioration in relations	• Frontline grievance resolution (direct, individual voice, first step of a tiered process if necessary) • Shop stewards and line manager/supervisor discussion of grievance issues
Expression of Collective organisation	To provide a countervailing source of power to management	• Shop stewards meetings • Senior shop stewards meetings • Work area OH&S briefings/meetings • Whole of plant OH&S briefings/meetings • Union recognition for EBA negotiations • Union officials present on consultative forums
Contribution to management decision-making	To seek improvements in work organisation, quality and productivity	• Shift start meeting work group meeting and supervisor briefings "Talkies" • Employees of the month scheme • HR Communications • Workplace of choice program (organisational climate survey) • Social media
Demonstration of mutuality and co-operative relations	To achieve long-term viability for the organisation and its employees	• Consultative forums (see Table 7.2)
Direct Voice – downward communication from management	To present management information and perspective on business issues	• Management briefings – whole of plant (one way messaging) • Management briefings – department (one way messaging and two-way, questions taken/interactive) • "Town Hall" meetings – whole of plant (two-way, questions taken/interactive) • "Twitter" style smartphone app (push information) • Company profile on Linked-In • CarCo company news on the corporate communications web page (externally accessible) • CarCo company news on the corporate intranet site (internally accessible only)

Table 7.5 Types and purpose of employee voice at CarCo Adapted from Dundon et al. (2004)

7.3.4 Have there been changes to the organisation's approach to employee voice?

The evolution of EV at CarCo has followed a path of increasing depth and breadth since the 1990s. Specific mechanisms have remained in place over time, such as the joint consultative committee (JCC) and work groups and have become embedded in a "business as usual" way. For a significant number of management and line staff there has not been a time in their tenure at CarCo when these mechanisms were not integral to the workplace.

The key aspect of evolutionary change over the same time period has been the cultural shift in the attitudes of management and unions. During the early stages of the move to group working and establishing a JCC, changes were taking place in the context of a history of confrontation between management and unions that was characterised by a very brittle industrial relationship. According to senior union interviewees, the adversarial nature of the Australian industrial relations system was in the foreground of management attitudes towards the workforce and very little provocation was required for strikes and other stoppages to be called by the union. The original 'truce' that was called so that a collaborative response to the external existential threats of falling tariffs, rising costs and increasing competition from imported vehicles could be developed has matured over time to become the model of hybrid voice that currently operates at CarCo based on mutual benefit and mutual trust.

Both management and union interviewees for this research defined their respective positions in terms of traditional roles and responsibilities. Management assert their prerogatives to 'run the business' and to make decisions about the strategy and operations of CarCo; in general terms they seek to satisfy shareholder expectations and ensure that the business is efficient, effective and profitable. The union asserts their right to represent the workers at CarCo at both the strategic and operational level. The operational level role of mediation, advocacy

and information sharing at CarCo has been enhanced by the hybrid voice mechanisms which enable direct communication for grievance resolution and afford the union representatives a formal role and status in the organisation. The strategic level of influencing management decision making and being an advocate for the whole workforce that comes through having a seat at the JCC table is an opportunity that has come directly from the evolution of hybrid voice at CarCo.

The union interpretation of the establishment of the JCC structures is that they were a concession won from management through negotiations for changes to work practices. The management interpretation of the JCC structures is that they were established as a management initiative to provide a forum to discuss the terms and conditions of workplace change. There is no formal and independently verifiable source document available to establish which interpretation most accurately reflects the genesis of JCCs at CarCo and the explanations of the interviewees is the only available record.

7.4 Discussion of findings in relations to the research propositions

Two propositions were identified as relevant to this research on employee voice and investigated in this thesis. These propositions are shown below:

7.4.1 Proposition 1

In a competitive environment an organisation will seek to harness employee knowledge and skills through the development of processes such as organisational mechanisms facilitating and supporting employee voice

A number of authors have analysed how product markets might impact on HRM by comparing the market circumstances or the strategic position of the organisation to its management style (Marchington, 2009; 1990). In broad terms, voice is more likely to be

promoted when organisations dominate product markets because management perceives that there are available resources to explore alternative options when developing HRM and voice systems (see for example Freeman & Medoff. 1984; Bryson. 2004; Detert & Burris, 2007). On the other hand, Marchington (2009; 1990) argues that voice is likely to be impeded if market pressures appear to allow managers little time to make decisions, so causing them to doubt the value of voice. It is arguably the case that prior to the economic reforms of the 1980s and 1990s CarCo enjoyed a dominant market position in Australia due to the protection afforded to it by high tariff barriers. However, with the fall in tariffs and the subsequent exposure to competition from imported alternatives, CarCo's market dominance was severely eroded (PC, 2014).

It is, therefore contrary to the view expressed by Marchington (2009; 1990) that it was during a period of economic and market challenge that CarCo undertook their project to engage with employees via group working and the formation of a joint consultative committee to tap into their skills, knowledge and abilities. The stated aim of the employee engagement and involvement project was to strategically address the adverse conditions that the organisation was facing through changing work practices and changing the adversarial nature of the relationship with unions. Consistent with the aims of CarCo's project is the view that task-based participation such as team working and upward problem solving can also be seen to contribute directly to improved performance. A significant outcome of the employee engagement and involvement project was the evolution of hybrid voice. Appelbaum et al. (2000) argue that employee voice is likely to be promoted when workers routinely operate in teams, and direct worker voice is a critical part of the employment relationship. In this situation, employers are more likely to derive benefits from voice through greater levels of worker commitment, whilst employees may gain from the opportunity to use their discretion

(Appelbaum et al., 2000). It is also argued that organisations with positive union relations are more likely to work together to promote direct voice as part of a drive to increase mutuality and the promotion of trust within organisations (Kochan & Osterman, 1994; Guest & Peccei, 2001). Furthermore, several authors find representative and direct forms of voice interact positively with one another, and that voice is more effective if it is developed across dual channels (Purcell & Georgiadis, 2006; Delbridge & Whitfield, 2001).

7.4.2 Proposition 2

At the level of the enterprise, effective employee voice is dependent on strong cooperative management-union relations.

The research for this thesis has been limited to one organisation and this has meant that all employees were under the same enterprise agreement, thus reducing a possible source of variation in results. Using a case study of a single organisation acted to overcome the problem that might arise from the diversity that exists among Australian industries and individual organisations. Using a case study of a single organisation also helped to avoid the possible confusion that might flow from multi-organisational research (see for example the challenges of multi-organisation research on employee voice described by Dundon et al. 2004). The union at CarCo has a strong internal shop stewards structure led by senior shop stewards, holds regular meetings with members and management, and engages in collective bargaining; it clearly meets the conditions used by Callus et al. (1991) to define an active union. Thus, union membership in this case study refers to membership of an active union.

Following the arguments of Holland (2014), union voice systems provide a safeguard against unrestrained managerial prerogative and underscore the view that it is important that management has checks and balances in place to ensure they don't damage the employment

relationship (Holland, 2014). Thus, keeping management 'honest' is the role that unions play by acting as a check and balance to management power. As such unions are best placed to moderate the employment relationship and to deliver procedural fairness and organisational justice (Tailby, Richardson, Upchurch, Danford, & Stewart, 2007). Freeman and Medoff (1984) also argued that unions have a positive effect on organisational performance because they facilitate grievance resolution, which may lead to employee satisfaction and an associated reduction in labour turnover and absenteeism.

Kim and Kim's (2004) comparison of union and non-union representation found that unionists were more satisfied than non-members, particularly in regard to distributive justice and employee advocacy issues. Union voice mechanisms can also provide a means for workers to suggest improvements to working practices in areas such as training and occupational health and safety (Freeman & Medoff, 1984). The exercise of collective or unionised employee voice is a positive activity which, if effectively harnessed by management, can lead to improvements in organisational success. Benson and Brown (2010) also found in their study of an Australian government agency that union membership negatively correlated with employees' reported satisfaction with voice arrangements. However, CarCo is also a manufacturing organisation which employs a wide range of workers in diverse roles with education levels ranging widely from high school completion to post graduate degree. This represents a significantly different organisational environment from the one described by Benson and Brown (2010) in their study of an Australian government agency.

However, there is also the view that unions are a hindrance to organisational performance and their presence is a negative influence on the relationship between management and workers.

The theory of reverse causation (Renaud, 2002), posits that union membership has an overall negative impact in the workplace. It is argued that workers in a unionised workplace are more likely to be dissatisfied, because their awareness of management's failings has been raised by the union; this negatively impacts upon employee relations and overall satisfaction with management (Guest & Conway, 1999; Gallie, White, Cheng & Tomlinson, 1998).

Notwithstanding the argument for reverse causation and the specific case example of a government agency, the CarCo case is illustrative of an active union working collaboratively with management to achieve mutually beneficial organisational goals. Arguably, the collaboration between union and management has both facilitated and sustained employee voice mechanisms at CarCo. In light of the findings of Benson and Brown (2010) there is a clear need to undertake further research with a focus on exploring the levels of satisfaction with employee voice systems at CarCo, amongst both employees and managers.

Research Questions and Propositions		**Supported Yes/No**
RQ 1	What has employee voice developed and evolved in the organisation studied?	Yes
RQ 2	Do employers and employees support the proposition that mechanisms of employee voice have had a positive effect on the organisation pre and post closure announcement?	Yes
RQ 3	What mechanisms for employee voice exist in the organisation? (breadth and depth)	Yes
RQ 4	Have there been changes to the organisation's approach to employee voice post closure?	Yes
P 1	In a competitive environment an organisation will seek to harness employee knowledge and skills through the development of processes such as organisational mechanisms facilitating and supporting employee voice	Yes
P 2	At the level of the enterprise, effective employee voice is dependent on strong cooperative management-union relations.	Yes

Table 7.6 Summary of research findings

Chapter 8 Conclusion

8.1 The implications for policy development

The findings of the research conducted for this thesis have several implications for HR and ER practitioners given that hybrid employee voice, a combination of direct voice and union voice, is fundamental to the effective employment relationship in large organisations. The results indicate the significance of the role of management in the effective fostering of systems of employee voice and in particular frontline managers, who are potentially the focal point for implementing employee voice in the workplace. This is consistent with other research findings (Holland et al., 2011) that it is the role of human resource and employee relations managers to implement systems of employee voice and disseminating this among not only the managerial ranks, but employees at lower levels (Holland et al., 2011). This is also congruent with arguments that have been forwarded supporting the view that organisations that have developed partnership arrangements with unions are more likely to work together to promote direct voice as part of a drive to increase mutuality and the promotion of trust within organisations (Guest & Peccei, 2001; Kochan & Osterman, 1994).

Hybrid voice at CarCo has evolved in a complex operating environment which, at a government policy level, is characterised by the de jure status of unions to be actors in the system of bargaining for wages and conditions throughout the 20th century and into the 21st century, while it should also be noted that during the latter part of the 1990s there was sustained legislative pressure for direct individual contracts of employment to be negotiated. Marchington (2009) has suggested that in conditions where national legislation is supportive of the role of unions as a stakeholder in the

organisation there will be a positive impact of the up-take of employee voice via union representation. Marchington (2009) also suggests that where the role of unions is weaker or not supported by national legislation there will be a tendency to direct voice. That hybrid voice has developed at CarCo and was sustained during the operation of legislation that could have facilitated bypassing union voice is worthy of further investigation. Assuming that CarCo management acted rationally, the choice to persist with union voice mechanisms while national legislation would have allowed them to do otherwise has implications for the framing of practical national legislation which considers broader issues and countenances legislation that focusses on organisational efficiency and effectiveness.

The operating environment at CarCo from a market perspective can be characterised as being highly competitive with multiple domestic and international players. The Australian Productivity Commission Inquiry Report into Australia's Automotive Manufacturing Industry (Australian Productivity Commission, 2014) pointed out that the external factors of the broader national and international economy have impacted negatively on the automotive industry in Australia generally as well as CarCo specifically. The Commission report also noted that the automotive industry involves high-tech systems and employs a highly skilled and specialised workforce. Marchington (2009) argues that employee voice is more likely to be promoted when an organisation is in a dominant market position or provides a relatively rare, high quality product. This is contrary to the findings at CarCo where the organisation is not in a dominant market position and manufactures a relatively ubiquitous product of a quality that is comparable to the multiple competitors selling within a comparable

price range. The anomaly that this represents has implications for further research informing HR policy to understand if there are unique circumstances in the automobile manufacturing industry, the Australian market or if there is a unique set of conditions at CarCo.

The results also show that hybrid voice has tangible benefits and is therefore worthy of investment even though it is costly, and time consuming to develop and implement. The benefits of hybrid voice include enhanced employee job satisfaction through increased involvement and participation in the workplace. In line with the findings of other research, it is argued that these intrinsic benefits will then give rise to extrinsic benefits, such as enhanced task and organisational performance and lower turnover (Holland et al., 2011). The backdrop of organisational change and the end of Australian manufacturing for CarCo has not resulted in declining productivity, lower product quality, increased absenteeism or an increase in lost time to industrial action. The case study findings suggest that the maintenance of positive organisational performance metrics has been significantly aided by mechanisms of hybrid employee voice at CarCo.

Cox et al.'s (2006) measures of embeddedness, breadth and depth, holds that the greater the number of complementary and integrated practices used in combination in the work environment, the more effective the voice arrangements are, as they reinforce each other (Cox et al., 2006). Following the analysis of Cox et al. (2006) employee voice systems at CarCo can be said to be both broad and deep. The effectiveness of embedded hybrid voice at CarCo has implications with regard to

assumptions articulated in the literature regarding employee voice in Australia. The paucity of case study research in Australian organisations has been noted by Holland et al. (2011) and Pyman et al. (2010) who have also posited that Australian Human Resource managers have not introduced appropriately sophisticated policy and that Australian management is not sufficiently mature to develop an effective system of hybrid voice. The evidence from the research reported in this thesis suggests that this is changing. As an example of hybrid voice that has operated for a significant period of time, and which provides for effective communication, grievance resolution mechanisms and influence with management decision making, employee voice at CarCo is a model for other Australian managers to examine and evaluate with a view to determining the appropriateness of replication of the systems elsewhere. The implication of this finding is also that further research is warranted to establish if similar systems of hybrid employee voice exist in other organisations in other industry sectors.

8.2 The implications for theory development

The findings of this exploratory study raise several implications for the concept of employee voice. The concept of employee voice (see Hirschman, 1970; Saskin, 1976; Freeman & Medoff, 1984; Poole, 1986; Strauss, 2006; Wilkinson et al., 2010; Holland et al., 2011) was central to examining the integration of various employee involvement and employee engagement mechanisms central to improving organisational efficiency. It was also important in framing the development of human resource policies, which allows for the examination of the extent and integration of employee voice mechanisms. Because of the complexities and dynamic nature of

employee voice, the testing of the concept provided an opportunity to evaluate the impact of these employee voice mechanisms at the level of the enterprise. In this context, the concept of employee voice provides a valuable contribution to exploring the relationship between management and unions within a firm.

As Bryson (2004) has identified in the development of the concept of employee voice, the systems of employee voice can be understood as direct voice, union voice, non-union employee representation and hybrid voice. Identifying the way in which voice systems are used or combined allows for an investigation of the interaction between the internal and external factors which informs how systems of employee voice evolve within an organisation.

It is acknowledged that to date detailed longitudinal research on employee voice systems at the level of the enterprise in Australia has been limited (Pyman et al., 2010). This thesis attempts to bridge this gap through a longitudinal in-depth single case study using the concept of employee voice as a point of reference. The nature of this research allows the contextual aspects of the internal and external environment of the enterprise to be taken into account. This is an important aspect of case study research, and one which enables analysis and inference to be undertaken in context (Yin, 2009).

A key aspect identified by this case research is the complexity of change in the external environment, particularly changes to government economic policy. However, in terms of the concept of employee voice, the mechanisms supporting employee

voice within the organisation have endured and have evolved over time. It can be suggested that the concept of employee voice provides a useful template for understanding the effective management of the employment relationship in a dynamic market environment. This case study of CarCo and the context within which CarCo implemented a series employee involvement schemes and mechanisms which facilitated the articulation of employee voice has presented a view of employee involvement that differs from Ramsay's cycles of control argument (1977). That employee voice has endured overtime at CarCo, from the late 1980 until closedown in 2014, gives more support to view of Ackers et al. (1993) and Marchington (1993) in that the development of employee involvement and employee voice at CarCo has not been consistent with cycles or waves of popularity for employee involvement schemes. The development of employee voice has taken place over periods during which government policy was antagonistic towards collective voice in the workplace and during periods of challenging economic circumstances. It can be argued that the development of employee voice at CarCo has been the result of specific, company-level issues within the structural context of the Australian system of industrial relations legislation and history.

The findings of this thesis suggest that systems of employee voice are an important concept in the development of flexible, adaptable and efficient workplace relations. The findings also illustrate the importance of the commitment of resources by the organisation to ensure that the advantages of employee voice systems are achieved and maintained. The findings of the thesis support the view that the use of employee voice systems in a committed, planned and systematic way can provide an

organisation with enhanced flexibility to market demands and therefore, enhanced organisational performance.

8.3 The implications for further research

As noted in previous chapters, research on the nature of employee-employer relations and employee voice reported in the literature is mostly originating from the United States and the UK. Similarly, according to Pyman et al. (2010), there is a paucity of empirical in-depth case study research relating to Australian workplaces. This thesis addresses the lack of research at the enterprise level in Australia and provides a detailed insight into the evolution, maintenance and function of employee voice systems through in-depth research of a single case study organisation.

The use of qualitative data has proven to be useful in dealing with a rich source of information and in producing a number of findings that have been expressed in the research questions and proposition that guided this research. The literature review of emerging systems of employee voice highlighted the varied and extensive nature of how the concept of employee voice has been operationalised at the enterprise level. Through this in-depth case research, the development of an integrated hybrid voice system in response to a globalised competitive environment was identified as a significant factor in enhancing the effectiveness of the enterprise's ability to respond to significant challenges.

The research approach adopted for this thesis represents an attempt to shift the perspective of employee voice to the enterprise as unit of analysis. In this way a more

holistic approach to relationships and environmental influences that shape employee voice systems can be investigated. There has been wide ranging interest in systems of employee voice as a mechanism for increasing organisational efficiency by engaging the workforce and aligning behaviours with organisational goals. To date, there has been little empirical evidence in Australia to assess the development, evolution and impact of systems of employee voice at the level of the enterprise. The impact of employee voice, as illustrated in this research, indicates that their development has been a significant factor in the ability of the organisation to respond to significant market challenges and changes in the economy. In this context, the concept of employee voice and the mechanisms by which it is operationalised makes an important contribution to the study of employee relations at a national and international level. Therefore, it can be concluded from the research reported in this thesis that there is merit in continuing with this approach to research in future studies in Australian organisations to assess the continuing development of employee voice and related mechanisms for employee engagement and employee involvement in organisational decision making.

8.4 Summary and conclusion

The limited research into the development of employee voice mechanisms at the level of the enterprise in Australia has been the catalyst for the research reported in this thesis. This research has aimed to assess empirically the emergence and development of employee voice in an Australian context. This approach has allowed an exploratory analysis to be undertaken at the level of the organisation. The in-depth case study approach has highlighted the dynamic nature of the market that the case study

organisation operates in as well as the impact of the national and international economy.

The case study organisation has a history of entrenched industrial relations conflict which since the company embarked upon a project embracing mechanisms supporting employee voice in the mid-1990s has been replaced with an employee relations climate characterised by cooperative management/union relations. This reflects the significance and impact of mechanism of employee voice, and in particular the hybrid voice at the case study organisation that has integrated union representation and direct communication between management and the workforce. At another level, this is illustrative of the sophisticated level of Human Resource Management policy that has been emerging in Australian manufacturing organisations during the 2000s as a means to address the stresses of falling tariffs, increased global competition and changing government industry policy. This thesis, therefore, provides a contribution to the study of the concept of employee voice in the Australian context.

This final chapter has examined the implication for policy and theory development of the concept of employee voice at the level of the organisation and, at a national level through developments in policy and regulations. Whilst the results of this case study indicate strong support for the use of employee voice mechanism in an Australian organisation, it is, however, recognised that one case study may not be generalisable and does not necessarily hold for all organisations. Overall, this research holds a range of implications for theory development and further research.

Bibliography

ABC (Australian Broadcasting Corporation) (2013) *Holden to Cease Manufacturing Operations in Australia in 2017. 10 December 2013.*

ABC (Australian Broadcasting Corporation) (2014) *As it happened: Toyota Confirms it will Cease Australian Manufacturing in 2017; 2,500 workers to lose jobs*, 10 February 2014.

Allen Consulting Group (2013) *The Strategic Role of the Australian Automotive Manufacturing Industry*, Report to the Federal Chamber of Automotive Industries, 26 September 2013.

Anderson, K., & Garnaut, R. (1986). *The Political Economy of Manufacturing Protection: Experiences of ASEAN and Australia*. Sydney, NSW: Allen and Unwin.

Applebaum, E., Bailey, T., Berg, P., & Kalleberg, A. (2000). *Manufacturing advantage: Why high performance work systems pay off*. Ithaca, NY: ILR Press.

Angle, H.L., & Perry, J.L. (1986). Dual Commitment and Labor-Management Relationship Climates, *The Academy of Management Journal, (29)*1., 31-50.

Armstrong, K., Bailey, D., de Ruyter, A., Mahdon, M., & Thomas, H. (2008) Auto Plant Closures, Policy Responses and Labour Market Outcomes: A Comparison of MG Rover in the UK and Mitsubishi in Australia *Policy Studies 29*(3) 343 – 355.

Australian Bureau of Statistics (ABS) (1992a). *Gross Domestic Product at Purchasing Power Parity in OECD Countries*, Cat no. 5226.0.

Australian Bureau of Statistics (ABS) (1992b). *Productivity, Prices, Profits and Pay 1964–65 to 1989–90*, Cat. no. 5239.0.

Australian Bureau of Statistics (ABS) (1993a). *Trade Union Members Australia, August 1992*, Cat. no. 6325.0.

Australian Bureau of Statistics (ABS) (1993b). *Trade Union Statistics Australia, 30 June 1992*, Cat. no. 6323.0.

Australian Bureau of Statistics (ABS) (1993c). *Australian Economic Indicators, May 1993*, Cat. no. 1350.0.

Australian Council of Trade Unions (ACTU) (1993). *Putting Jobs First: Accord Agreement 1993–1996*. Melbourne, VIC: ACTU.

Australian Government (n.d.) *Growth Fund* <http://www.business.gov.au/grants-and-assistance/growth-fund> viewed January 2018.

Babbie, E. (2007). *The Practice of Social Research 11th edition.* Belmont CA: Thomson Wadsworth.

Bailey, C.A. (2007). *A guide to qualitative field research*, Thousand Oaks, CA: Pine Forge Press.

Bailey, J., & Peetz, D. (2015). Australian unions and collective bargaining in 2014 *Journal of Industrial Relations, (57)*3, 401–421.

Baird, M., Ellem, B., & Page, A. (2006) *Human Resource Management : Strategies and Processes. Workchoices Update*. Melbourne, VIC: Thomson.

Balnave, N., Brown, J., Maconachie, G. & Stone, R.J. (2010). *Employment relations in Australia.* Brisbane, QLD: John Wiley and Sons.

Bamber, G., Lansbury, R.D., Wright, C.F. & Baird, M. (2006). Work Systems and Employment Relations in the Australian Automotive Manufacturing Industry. Proceedings of the 58th Labour and Employment Relations Association meeting.

Bamber, G., Shadur, M.A., & Howell, F. (1992). The International Transferability of Japanese Management Strategies: An Australian Perspective, *Employee Relations, (14)*3, 3 – 19.

Barry, M., & Wilkinson, A. (2016). Pro-Social or Pro-Management? A Critique of the Conception of Employee Voice as a Pro-Social Behaviour within Organizational Behaviour. *British Journal of Industrial Relations, (54)*2 261-284.

Belchamber, G. (1993). *A Decade of Change: Australian Trade Unions and Global Free Trade*. Melbourne, VIC: ACTU.

Belman, D. (1992). 'Unions, the Quality of Labour Relations, and Firm Performance', *Journal of Political Economy, (15)*1, 44-60.

Belnave, N., Barnes, A., MacMillan, C., & Thornwaite, L. (2014). E-voice: How network and media technologies are shaping employee voice. In A. Wilkinson, J. Donaghey, T. Dundon, & R. Freeman (Eds.), *The handbook of research on employee voice* (439–454), Cheltenham, VIC: Edward Elgar.

Benson, J. (2000). Employee Voice in Union and Non-Union Australian Workplaces. *British Journal of Industrial Relations, (38)*3, 453-459.

Benson, J., & Brown, M. (2010). Employee Voice, does union membership matter? *Human Resource Management Journal, (20)*1, 80–99.

Beugre, C. D. (2010). Organizational conditions fostering employee engagement: The role of "voice". In S. Albrecht (Ed.), *Handbook of employee engagement: Perspectives, issues, research and practice* (174–181), Cheltenham, VIC: Edward Elgar.

Blyton, P., & Turnbull, P.J. (1998). *The Dynamics of Employee Relations*, London, England: Macmillan Business.

Bowden, B. (2011). The Rise and Decline of Australian Unionism: A History of Industrial Labour from the 1820s to 2010. *Labour History, (100)* 51-82.

Boxall, P., Purcell, J., & Wright, P., (2007). Human Resource Management Scope, Analysis and Significance, in Boxall, P., Purcell, J. & Wright, P., (eds.) *The Oxford Handbook of Human Resource Management*, London, UK: Oxford University Press.

Boxall, P., & Macky, K. (2009). Research and Theory on high performance work systems: Progressing the high involvement stream. *Human Resource Management Journal*, 19(1) 3-23.

Boxall, P., & Purcell, J. (2011). *Strategy and Human Resource Management* (3rd ed.), Basingstoke, England: Palgrave Macmillan.

Boxall, P., & Purcell, J. (2016). Strategy and Human Resource Management (4th ed.), Basingstoke, Engliand: Palgrave Macmillan.

Bradford, J., Wilson, K., & Fitzpatrick, M. (eds) (2000). *Australia in Accord: an evaluation of the prices and income accord in the Hawke-Keating years.* Melbourne, VIC: South Pacific Publishing.

Bramble, T., (2008) *Trade Unionism in Australia: A History from Flood to Ebb Tide*. Melbourne, VIC: Cambridge University Press.

Bray, M., Waring, P.A., Cooper, R., & McNeil, J. (2015). *Employment Relations: Theory and Practice.* Melbourne, VIC: McGraw-Hill.

Bray, M. & Walsh, P. (1998). Different Paths to Neo-Liberalism? Comparing Australia and New Zealand, *Industrial Relations, (37)*3, 358-387.

Brewster, C., Croucher, R., Wood, G., & Brookes, M. (2007). Collective and individual voice: Convergence in Europe? *International Journal of Human Resource Management, (18)*7 1246–1262.

Brigden, J.B., Copland, D.B., Dyason, E.C., Giblin L.F., & Wickens, C.H. (1929). *The Australian Tariff: An Economic Enquiry*. Melbourne, VIC: Melbourne University Press.

Bryson, A. (1999). Are unions good for industrial relations? in R. Jowell, J. Curtice, A. Park, K. Thomson, L. Jarvis, C. Bromley & N. Stratford (eds.) *British Social Attitudes – The 16th Report – Who Shares New Labour Values?* London, England: Ashgate Publishing Limited.

Bryson, A. & McKay, S. (1997). What about the workers? In R. Jowell, J. Curtice, A. Park, L. Brook, K. Thomson, & C. Bryson (Eds.), *British social attitudes: The 14th report; The end of conservative values?* (pp. 23–48), Aldershot, England: Ashgate.

Bryson, A. (2004). Managerial responsiveness to union and non-union worker voice in Britain. *Industrial Relations. (43)*1, 213–241.

Bryson, A., Forth, J., & Kirby, S., (2005) High-Involvement Management Practices, Trade Union Representation and Workplace Performance in Britain *Scottish Journal of Political Economy*. *(52)*3, 451 – 491.

Bryson, A., Gomez, R., & Willman, P. (2004). The end of the affair? The decline in employers' propensity to unionise. In J. Kelly & P. Willman (Eds.), *Union organisation and activity* (129–149). London, England: Routledge.

Bryson, A., Gomez, R., Kretschmer, T., & Willman, P. (2007).' The diffusion of workplace voice and high commitment management practices in Britain, 1984–1998'. *Industrial and Corporate Change, (16)*3, 395–426.

Budd, J.W. (2004). *Employment with a human face: balancing efficiency, equity, and voice*. London, England: Cornell University Press.

Budd, J. (2014). The future of employee voice. In A. Wilkinson, J. Donaghey, T. Dundon, & R. Freeman (Eds.), *The handbook of research on employee voice* (477–488). Cheltenham, England: Edward Elgar.

Budd, J., Gollan, P., & Wilkinson, A. (2010). New approaches to employee voice and participation in organizations. *Human Relations, (63),* 303–310.

Butlin, N.G., Barnard, A., & Pincus, J.J. (1982). *Government and Capitalism: Public and Private Choice in Twentieth Century Australia,* Sydney, NSW: Allen and Unwin.

Buttigieg, D. & Gahan, P. (2008). High performance work systems and the social context of work. *Labour and Industry, (19)*1, 1 – 23.

Buxey, G., & Petzall, S. (1991). Australian Automobile Industry: JIT Production and Labour Relations *Industrial Management and Data Systems, (91)*1, 8-12.

Callus, R., Morehead, A., Cully, M. & Buchanan, J. (1991). *Industrial Relations at Work*. Melbourne, VIC: Australian Government Publishing Service.

Capling, A. & Galligan, B. (1992). *Beyond the Protective State: The Political Economy of Australia s Manufacturing Industry Policy.* Cambridge, England: Cambridge University Press.

Catanzariti, J. & Pittard, M. (2006), 'Employee' Definition: Relevance to Work Choices Legislation and Beyond, *Employment Law Bulletin, (12)*4, 37 - 39.

Charlwood, A. & Terry, M. (2007). 21st-century models of employee representation: Structures, Processes and Outcomes, *Industrial Relations Journal, (38)*4, 320-337.

Cole, K. (2007) *Workplace Relations in Australia: A Practical Guide to Work Choices*. Frenchs Forrest, NSW: Pearson Education.

Colvin, A.J.S. (2003). Institutional pressures, human resource strategies and the rise of non-union dispute resolution procedures. *Industrial and Labor Relations Review, (56)*3, 375–392.

Connelly, B.L., Certo, S.T., Ireland, R.D. & Reutzel, C.R. (2011). Signalling theory: a review and assessment. *Journal of Management, (37)*1, 39–67.

Cooke, W. (1989) Improving Productivity and Quality Through Collaboration. *Industrial Relations, (28)*2, 299-319.

Cooke, W. (1992). Product Quality Improvement through Employee Participation: The Effects of Unionization and Joint Management Administration. *Industrial & Labor Relations Review, (46)*1, 119-134.

Cooper, R. (2009). Forward with fairness? Industrial relations under labor in 2008. *Journal of Industrial Relations, (51)*3, 285–296.

Cooper, R. & Ellem, B. (2008). The Neoliberal State, Trade Unions and Collective Bargaining in Australia. *British Journal of Industrial Relations, (46)*3, 532-554.

Costa, M., & Duffy, M. (1991). *Labour, Prosperity and the Nineties: Beyond the Bonsai Economy*. Leichardt, NSW: The Federation Press.

Costigan, R., Ilter, S. & Berman, J. (1998). A multi-dimensional study of trust in organizations. *Journal of Managerial Issues, (10)*3, 303–317.

Cox, A., Zagelmeyer, S., & Marchington, M. (2006). Embedding employee involvement and participation at work. *Human Resource Management Journal, (16)*3, 250–267.

Cully M (2011) How Much do Migrants Account for the Unexpected Rise in the Labour Force Participation Rate in Australia over the Past Decade?, Paper presented at the 40th Australian Conference of Economists, Canberra, 11–14 July.

Curtain, R. (1992), *Enterprise Bargaining: Choosing an Appropriate Strategy*. Canberra, ACT: Department of Industrial Relations.

Dabscheck, B. (2001) The Slow and Agonising Death of the Australian Experiment with Conciliation and Arbitration. *Journal of Industrial Relations (43)*3, 163-178.

Danford, A., Richardson, M., Stewart, P., Tailby, S., & Upchurch, M. (2008). Partnerships, high performance work systems and quality of working life. *New Technology, Work and Employment, (23)*3, 151-166.

Dastmalchian, A. (1986). Environmental Characteristics and Organizational Climate: An exploratory study. *Journal of Management Studies. (23)*6, 609–633.

Davey, A., (2011). *Budgetary Assistance to the Australian Automotive Sector*. Australia: Sapere Research Group.

Davis, E., & Lansbury R. (1989). Worker Participation in Decisions on Technology and Change in Australia. in Bamber, G., & Lansbury, R., 1989 (eds) *New Technology*. London, England: Unwin and Hyman.

Davis-Blake, A., Broschak, J.P., & George, E. (2003). Happy Together? How using Nonstandard Workers Affects Exit, Voice and Loyalty among Standard Employees. *Academy of Management Journal, (46)*4, 475-485.

Deery, S.J., & Plowman, D.H. (1991) *Australian Industrial Relations (3rd Edition)*. Sydney, NSW: McGraw Hill.

Deery, S.J., Plowman, D.H., & Walsh, J.T. (1997). *Industrial Relations: A contemporary Analysis.* Sydney, NSW: McGraw Hill

Deery, S.J., Erwin, P. & Iverson, R. (1999). Industrial Relations Climate, Attendance Behaviour and the Role of Trade Unions. *British Journal of Industrial Relations, (37)*4, 533-558.

Deery, S.J. & Walsh, J.T. (1999). The character of individualised employment relations in Australia: a model of "hard" HRM, in S. Deery & R. Mitchell (eds), *Employment Relations: Individualisation and Union Exclusion*, Sydney, NSW: The Federation Press.

Deery, S.J. (2002), Employee Reactions to Human Resource Management: A Review and Assessment. *The Journal of Industrial Relations, (44)*3, 458-466.

Delbridge, R., & Whitfield, K., (2001) Employee Perceptions of Job Influence and Organizational Participation Employee Perceptions *Industrial Relations. (40)*3, 472 – 489.

Denzin, N.K., & Lincoln, Y.S. (eds) (2011). *The Sage Handbook of Qualitative Research*, Thousand Oaks, CA: Sage Publications

Detert, J.R., & Burris, E.R. (2007) Leadership behaviour and employee voice: Is the door really open? *Academy of Management Journal*. *(50)*1, 869–884.

Dietz, G. (2004). Partnership and the development of trust in British workplaces. *Human Resource Management, (14)*1, 5–24.

Dietz, G. & Fortin, M. (2007). Trust and justice in the formation of joint consultation committees. *Journal of International Human Resource Management, (18)*7, 1159–1181.

Dirks, K. & Ferrin, D.L. (2002). Trust in leadership: meta-analytic findings and implications for research and practice. *Journal of Applied Psychology, (87)*4, 611–628.

Dowrick, S. (1990). Explaining the labour productivity slowdown of the 1980s. *Australian Bulletin of Labour, (16)*2, 174-198.

Dowrick, S. (1992). *A review of new theories and evidence on economic growth: their implications for Australian policy. Discussion Paper no. 275*, Centre for Economic Policy Research, Australian National University.

Dowrick, S & Quiggin, J. (2003). *A survey of the literature on minimum wages, Discussion Paper*, Centre for Economic Policy Research, Australian National University.

Drago, R., & Wooden, M. (1992). The Australian workplace industrial relations survey and workplace performance *Australian Bulletin of Labour, (18)*1, 142-167.

Drago, R., Wooden, M., & Sloan, J., (1992) *Productive Relations? Australian Industrial Relations and Workplace Performance.* Sydney, NSW: Allen and Unwin.

Dul, J., & Hak, T. (2008). *Case Study Methodology in Business Research,* Burlington, VT: Butterworth-Heinemann.

Dundon, T., Wilkinson, A., Marchington, M., & Ackers, P. (2004). The Meanings and Purpose of Employee Voice. *The International Journal of Human Resource Management, (15)*6, 1149-1170.

Dyer, L., (1984). Studying Human Resource Strategy: An Approach and an Agenda, *Industrial Relations, (23)*2, 156-169.

Eisenhardt, K.M., & Graebner, M.E. (2007). Theory Building from Cases: Opportunities and Challenges *Academy of Management Journal, (50)*1, 25–32.

Eisenhardt, K.M. (1989). Better Stories and Better Constructs: The Case for Rigor and Comparative Logic, *Academy of Management Review, (16*)3, 620-627.

Eisenhardt, K.M. (1991). Building Theories from Case Study Research. *Academy of Management Review, (14*)4, 532-550.

Edwards, P.K. (ed), (2003). The employment relationship and the field of industrial relations in Edwards, P.K. *Industrial relations: theory and practice. 2nd edition*. Oxford, England: Blackwell.

Farndale, E., Hope-Hailey, V. & Kelliher, C. (2011). High commitment performance management: the role of justice and trust. *Personnel Review, (10)*1, 5–23.

Farndale, E., Van Ruiten, J., Kelliher, C. & Hope-Hailey, V. (2011). The influence of perceived voice on organizational commitment: an exchange perspective. *Human Resource Management, (50)*1, 113–129.

FCAI (Federal Chamber of Automotive Industries) (2014), *2013 New Vehicle Market*, http://www.fcai.com.au/sales/-2013-new-vehicle-market (accessed June 2016).

Fiorito, J. (2001). Human resource management practices and worker desires for union representation. *Journal of Labor Research, (22)*1, 5-23.

Flyvbjerg, B. (2006). Five Misunderstandings About Case-Study Research. *Qualitative Inquiry (12)*2, 219-245.

Forsyth, A. (2017). Explainer: what are the ABCC and Registered Organisations bills? *The Conversation* < http://theconversation.com/explainer-what-are-the-abcc-and-registered-organisations-bills-56676>, Viewed May 2016.

Forsyth, P. (1992). Public enterprises: a success story of microeconomic reform? *Discussion Paper no. 278*. Centre for Economic Policy Research, Australian National University.

Fox, A. (1974). *Beyond Contact: Work, Power and Trust Relations*. London, England: Faber & Faber.

Fox, C., Howard, W., & Pittard, M. (1995) *Industrial Relations in Australia: Development, Law and Operation*. Melbourne, VIC: Longman.

Freeman, R. & Medoff, J. (1984). *What Do Unions Do?* New York, NY: Basic Books.

Gadiel, D. (1976) A Review of The Jackson Committee Report on Policies for Development of Manufacturing Industries in Australia *The Australian Quarterly (48)*2, 32-41.

Gagnon, Y. (2010). *The Case Study as Research Method: A Practical Handbook*, Montreal, Canada: Presse De L'Université Du Quebéc.

Gallie, D., White, M., Cheng, Y., & Tomlinson, M. (1998). *Restructuring the Employment Relationship.* Oxford, England: Clarendon Press.

Garcia-Serrano, C. (2009). Job satisfaction, union membership and collective bargaining. *European Journal of Industrial Relations, (15)*1, 91-111.

Gardner, M., & Palmer, G. (1997). *Employment Relations: Industrial Relations and Human Resource Management in Australia*. Sydney, NSW: MacMillan Education, Australia.

Gerring, J. (2007). *Case Study Research: Principles and Practice*. New York, NY: Cambridge University Press.

Gollan, P., & Wilkinson, M. (2007). Contemporary developments in information and consultation. *International Journal of Human Resource Management, (18)*7, 1133–1144.

Gould-Williams, J. (2003). The importance of HR practices and workplace trust in achieving superior performance: a study of public-sector organizations. *International Journal of Human Resource Management*, *(14)*1, 28–54.

Griffin, G., & Svensen, S (2002) Unions in Australia: Struggling to Survive, in Fairbrother, P., & Griffin, G. (eds) *Changing Prospects for Trade Unionism: Comparisons Between Six Countries*, New York, NY: Continuum.

Gruen, F. & Grattan, M. (1993) *Managing Government: Labor's Achievements & Failures.* Melbourne, VIC: Longman Cheshire.

Gruen, D., & Sayedh, A. (2005). *The evolution of fiscal policy in Australia*, Treasury Working Paper 2005, No. 4, Canberra, ACT: AGPS.

Guerrero, S., & Herrbach, O. (2008). The affective underpinnings of psychological contract fulfilment. *Journal of Managerial Psychology*, *(23)*1, 4-17.

Guest, D. (1995) Human Resource Management, Trade Unions and Industrial Relations. In Storey. J. (ed.) *Human Resource Management: A Critical Text*. London, England: Routledge, 110-141.

Guest, D. (1997). Human Resource Management and Performance: A Review and Research Agenda. *International Human Resource Management*, *(8)*3, 263-276.

Guest, D., & Conway, N. (1999). Peering into the black hole: the downside of the new employment relations in the UK. *British Journal of Industrial Relations*, *(37)*3, 367–389.

Guest, D., & Peccei, R., (2001) Partnership at Work: Mutuality and the Balance of Advantage *British Journal of Industrial Relations (39)*2, 207 – 236.

Hagan, J. (1981) *The History of the A.C.T.U.* Melbourne, VIC: Longman Cheshire.

Haigh, G. (2013) *End of the Road?* Sydney, NSW: Penguin Special.

Hamel, J., (1993) *Case Study Method.* Thousand Oaks, CA: Sage Publications.

Hammer, T. H., & Avgar, A. (2007). The impact of unions on job satisfaction, organizational commitment, and turnover. In Bennett, J.T. & Kaufman, B.E. (Eds.), *What do unions do?* 346–372. New Brunswick, NJ: Transaction Publishers.

Hancock, K. & Isaac, J. E. (1992). Australian experiments in wage policy. *British Journal of Industrial Relations*, *(30)*2, 213-237.

Hancock, K. & Rawson, D. (1993) The Metamorphosis of Australian Industrial Relations. *British Journal of Industrial Relations (31)*4, 489-513.

Haugh, D., Mourougane, A. & Chatal, O. (2010). *The Automobile Industry in and Beyond the Crisis*, OECD Economics Department Working Paper no. 745.

Hawke, R. J. L. (1993). *Industrial relations in Australia: a turbulent past — an uncertain future*. Inaugural Kingsley Laffer Memorial Lecture at the University of Sydney, 1993.

Hawthorne, M. (2013). Closure of Holden and Toyota factories would leave $1b in unfunded worker entitlements, *The Sydney Morning Herald*, 25 November, http://www.smh.com.au/federal-politics/political-news/closure-of-holden-and-toyota-factories-would-leave-1b-in-unfunded-worker-entitlements-20131124-2y431.html (accessed 3 March 2014).

Haynes, M., Higginson, A., Probert, W. & Boreham, P. (2011), 'Social determinants and regional disparity of unemployment duration in Australia: a multilevel approach', Paper prepared for the 10th Anniversary HILDA Survey Research Conference, Melbourne, 14-15 July 2011., Institute for Social Science Research, The University of Queensland.

Haynes, P., Boxall, P. & Mackay, K. (2005). Non-union voice and the effectiveness of joint consultation in New Zealand. *Economic and Industrial Democracy*, *(26)*2, 229–256.

Hill, J., Howard, W. & Lansbury, R. (1982). *Industrial Relations: An Introduction.* Melbourne, VIC: Longman Cheshire.

Hockey, J.B. (Acting Minister for Industry, Tourism and Resources) (2003). *ACIS Administration Amendment Bill 2003 — Explanatory Memorandum*.

Hockey, J.B. & Sinodinos, A. (2013). *Joint Media Conference, Sydney*, http://axs.ministers.treasury.gov.au/transcript/001-2013/ (accessed 16 April 2014).

Holland, P., Cooper, B.K., & Hecker, R. (2016). Use of social media at work: a new form of employee voice? *The International Journal of Human Resource Management, (27)*21, 2621-2634.

Holland, P., Cooper, B, Pyman, A., & Teicher, J. (2012). Trust in management: the role of employee voice arrangements and perceived managerial opposition to unions. *Human Resource Management Journal*, *(22)*4, 95-110.

Holland, P., Pyman, A., Teicher, J, & Cooper, B. (2011). Employee Voice and Job Satisfaction in Australian: The Centrality of Direct Voice. *Human Resource Management, (50)*1, 95-111.

Holland, P., Pyman, A., Cooper, B.K., & Teicher, J. (2011). The development of alternative voice mechanisms in Australia: The case of joint consultation. *Economic and Industrial Democracy, (30)*1, 76-92.

Holland, P. (2014). Employers and voice. In Wilkinson, A., Donaghey, J. and Dundon, T. (eds) *Handbook of Research on Employee Voice*. Cheltenham, England: Edward Elgar Publishing.

Hirschman, A.O. (1970). *Exit, Voice and Loyalty; Responses to Decline in In Firms, Organisations and States.* Cambridge, MA: Harvard University Press.

Huszco, G.E. & Hoyer, D.T. (1994). Factors involved in constructive union-management relationships. *Human Relations, (47)*7, 847–867.

Hyman, R. (2004). Where next for partnership? In Stuart. M. & Martinez Lucio. M. (Eds.), *Partnership and modernization in employment relations.* London, England: Routledge.

Isaac, J. (1993). *Small Business and Industrial Relations: Some Policy Issues*. Canberra, ACT: Department of Industrial Relations.

Isaac, J., Peetz, D., Fisher, C., Macklin, R. & Short, M. (1993). *A Survey of Small Business and Industrial Relations*. Canberra, ACT: Department of Industrial Relations.

Jones, E. (2015). The Industries Assassination Commission. *Conference proceedings: The Productivity Commission's Role in Economic and Social Policy in Australia.* University of Sydney, Australia.

Katz, H.C., Kochan, T.A., & Gobeille, K.R. (1983). Industrial relations performance, economic performance, and QWL programs: An interplant analysis. *Industrial and Labor Relations Review, (37)*1, 3-17.

Katz, H.C., Kochan, T.A., & Weber, M.R. (1985). Assessing the Effects of Industrial Relations Systems and Efforts to Improve the Quality of Working Life on Organizational Effectiveness. *Academy of Management Journal*, (28)3, 509-526.

Kaufman, B.E. & Taras, D. (2000). *Non-union Employee Representation: History, Contemporary Practice and Policy.* New York, NY: ME Sharpe.

Kaufman, B.E. (2014). Employee voice before Hirschman: its early history, conceptualisation, and practice. In Wilkinson, A., Donaghey, J. and Dundon, T. (eds) *Handbook of Research on Employee Voice.* Cheltenham, England: Edward Elgar Publishing.

Keenoy, T. & Kelly, D. (1996) *The Employment Relationship in Australia.* Sydney, NSW: Harcourt Brace.

Kellner, A., Peetz, D., Townsend, K., & Wilkinson, A. (2016). "We are very focused on the muffins": Regulation of and compliance with industrial relations in franchises. *Journal of Industrial Relations, (58)*1, 25–45.

Kelly, J. (2004). Social partnership agreements in Britain: labour cooperation and compliance. *Industrial Relations, (43)*1, 267–292.

Kelly, P. (1992). *The End of Certainty: The Story of the 1980s*. Australia, Sydney: Allen and Unwin.

Kepes, S., & Delery, J.E. (2007). HRM Systems and the problem of internal fit. In Boxall, P., Purcell, J., and Wright, P.M. (Eds) (2007) *The Oxford Handbook of Human Resource Management*, London, England: Oxford University Press. 385-404.

Kersley, B., Alpin, C., Forth, J., Bryson, A., Bewley, H., Dix, G. & Oxenbridge, S. (2006). *Inside the Workplace: Findings from the 2004 Workplace Employment Relations Survey (WERS)*. London, England: Routledge.

Klass, B.S., Olson-Buchanan, J.B. & Ward, A. (2011). The Determinants of Alternative Forms of Workplace Voice, An Integrative Perspective. *Journal of Management, (38)*1, 253-269.

Kim, D. & Kim. H. (2004). A Comparison of the Effectiveness of Unions and Non-Union Works Councils in Korea: Can Non-Union Employee Representation Substitute for Trade Unionism? *International Journal of Human Resource Management (15)*6, 1069–93.

Kochan, T.A., & Osterman, P. (1994) *The Mutual Gains Enterprise: Forging a Winning Partnership Among Labor, Management, and Government.* Boston, MA: Harvard Business School Press.

Korczynski, M. (2000). The political economy of trust. *Journal of Management Studies, (37)*1, 1–23.

Lansbury, R.D., Katz, H.C. & Park, F. (1997). Symposium of Employment Relations Reform in the World Automobile Industry: Introduction. *Economic and Labour Relations Review, (8)*2, 58-80.

Lansbury, R.D., & Wailes, N. (2003). The meaning of industrial democracy in an era of neo-liberalism, in Gollan, P., and Patmore, G., (eds), *Partnerships at Work: The Challenge of Employee Democracy.* Sydney, NSW: Pluto Press. 37-46.

Lansbury, R.D., Wright, C. & Baird, M. (2005). Decentralised bargaining in the Australian automotive assembly industry. *Proceedings of the 2005 Australian Industrial Relations Association of Australia and New Zealand Conference.*

Lansbury, R.D., Saulwick, J., & Wright, C. (2008). Globalization and Employment Relations in the Australian Automotive Industry. In Blanpain. R. (ed) *Globalization and Employment Relations in the Auto Assembly Industry: A Study of Seven Countries.* Alphen aan den Rijin, Netherlands: Kluwer Law International. 13-34.

Lamsa, A. & Pucetaite, R. (2006). Development of organizational trust among employees from a contextual perspective. *Business Ethics: A European Review, (15)*2, 130–141.

Laplagne, P., & Bensted, L. (1999). *The Role of Training and Innovation in Workplace Performance.* Australian Productivity Commission. Melbourne, VIC: Australian Government Publishing Service (AGPS).

Lee, T.W. (1999). *Using Qualitative Methods in Organisational Research*. Thousand Oaks, CA: Sage Publications.

Lindbeck, A., & Snower, D.J. (1994) How Are Product Demand Changes Transmitted to the Labor Market? *Economic Journal, (104)*423, 386-398.

Lindbeck, A., & Snower, D.J. (2001). Insiders versus Outsiders. *The Journal of Economic Perspectives, (15)*1, 165-188.

Lewicki, R., McAllister, D., & Bies, R. (1998). Trust and distrust: new relationships and realities. *Academy of Management, (23)*3, 438-458.

Lewis, J. & Welgert, A. (1985). Trust as a social reality. *Social Forces, (63)*4, 967–985.

Lloyd, P. (2007). 100 Years of Tariff Protection in Australia. *University of Melbourne, Department of Economics, Research Paper Number 1023*.

Loundes, J. (1999). Labour Productivity in Australian Workplaces: Evidence from the AWIRS. *Melbourne Institute Working Paper,* No. 19/99, The University of Melbourne, Australia.

Ludeke, J. T. (1992) The public interest and the Australian Industrial Relations Commission. *Journal of Industrial Relations, (34)*1, 32-45.

Luhmann, N. (1979). *Trust and Power.* Chichester, England: John Wiley.

Luhmann, N. (1988) Familiarity, confidence, trust: problems and alternative. In Gambetta. D. (ed.) *Trust: Making and Breaking Cooperative Relations*. Oxford, England: Blackwell.

McDonald, T. & Rimmer, M. (1989) Award Restructuring and Wages Policy, *Growth, (37)* 111-34.

McCallum, R. C. (1993). Enhancing federal enterprise bargaining: The Industrial Relations (Legislative Amendment) Act 1992 (Cth). *Australian Journal of Labour Law, (6)*2, 79-87.

Marchington, M. (1992). Surveying the practice of joint consultation in Australia. *Journal of Industrial Relations, (34)*4, 530-549.

Marchington, M., Wilkinson, A., Ackers, P., & Goodman, J. (1993). The influence of managerial relations on waves of employee involvement. *British Journal of Industrial Relations, (31)*4, 553-576.

Marchington, M. (1994). The Dynamics of Joint Consultation. In Sisson. K. (ed.) *Personnel Management*. Oxford, England: Blackwell. 662–93.

Marchington, M. (2005). Employee Involvement: Patterns and Explanation. In Harley. B., Hyman. J., & Thompson. P. (eds.) *Participation and Democracy at Work*. London, England: Macmillan 20-37.

Marchington, M. & Wilkinson, A. (2000). Direct Participation. In Bach, S. & Sisson, K. (eds) *Personnel Management: a comprehensive guide to theory and practice, 3rd Edition,* Oxford, England: Blackwell 340 – 364.

Marchington, M. (2007). Employee Voice Systems. In Boxall, P., Purcell, J. & Wright, P., (eds.) *The Oxford Handbook of Human Resource Management*. Oxford, England: Oxford University Press.

Marginson, P., Edwards, P., Edwards, T., Ferner, A. & Tregaskis, O. (2009). Employee representation and consultative voice in multinational companies operating in Britain. *British Journal of Industrial Relations, (48)*1, 151–180.

Markey, R. (2007). Non-union employee representation in Australia: a case study of the Suncorp Metway Council Inc. *Journal of Industrial Relations, (49)*2, 187–209.

Michelson, G., & Baird, M. (1995). Case Study Research in Industrial Relations. *Labour and Industry, (6)*3, 127-133.

Miles, M.B., Huberman, A.M., & Saldana, J. (2014). *Qualitative Data Analysis, A Methods Sourcebook 3rd Edition.* Thousand Oaks, CA: Sage Publishing.

Millward, N, Bryson, A., & Forth, J. (2000). *All Change at Work? British employment relations 1980-1998, as portrayed by the Workplace Industrial Relations Survey series*. London, England: Routledge.

Morehead, A., Steele, M., Alexander, M., Stephen, K & Duffin, L. (1997). *Changes at work: the 1995 Australian workplace industrial relations survey*. Melbourne, VIC: Longman.

Morgan, G., & Smircich, L. (1980). The Case for Qualitative Research. *The Academy of Management Review, (5)*4, 491-500.

Morgan Stanley (2013) *Global Autos: Labour Cost Benchmarking: Implications for EU OEMs*, New York, NY: Morgan Stanley.

Morrison, E. (2011). Employee voice behaviour: Integration and directions for future research. *The Academy of Management Annals (5)*1, 373-412.

Morrison, E. (2014). Employee voice and silence. *Annual Review of Organizational Psychology and Organizational Behaviour, (1)*1, 173–197.

Mowbray, P.K., Wilkinson, A., & Tse, H.M. (2014). An integrative review of employee voice: Identifying a common conceptualisation and research agenda. *International Journal of Management Reviews, (1)*1, 1- 19.

Mowbray, P.K., Wilkinson, A., & Tse, H.M. (2019). Evolution, Separation and Convergence of Employee Voice Concept *in Employee Voice at Work Holland, P., Teicher, J., and Donaghey, J. Eds*. (p.p. 3-22). Springer Nature, Singapore

Murphy, B. (1982). Changing the Union: 1981 Ford Strike. *Australian Left Review, (1)*79, 28-33.

Niland, J. (1981). Research and Reform in Industrial Relations. *Journal of Industrial Relations, (23)*4, 482-503.

Niland, J. (1984). Industrial Relations reform: why, how and with what objective? In Aldred. J. (ed.) *Industrial Confrontation.* Sydney, NSW: George Allen and Unwin. 1-19.

Niland, J. (1989). *Transforming Industrial Relations in New South Wales: A Green Paper*. Prepared for the New South Wales Government.

Niland, J. & Prothero, M. (1976). Industrial Relations Research in Australia. *Journal of Industrial Relations, (18)*3, 272-82.

OECD (1992), *Economic Outlook.* Paris, France: OECD.

OICA (International Organisation of Motor Vehicle Producers) (2013) *Production Statistics*, France, http://www.oica.net/category/production-statistics/ (accessed June 2016).

OICA (2014a) *Production Statistics*, France, http://www.oica.net/category/ production - statistics/ (accessed June 2016).

OICA (2014b) *2005 – 2013 Sales Statistics*, http://www.oica.net/category/sales- statistics/ (accessed June 2016).

Olson-Buchanan J. B., & Boswell W. R. (2002). The role of employee loyalty and formality in voicing discontent. *Journal of Applied Psychology, (87)*1, 1167-1174.

Olson-Buchanan J. B., & Boswell W. R. (2008). An integrative model of experiencing and responding to mistreatment at work. *Academy of Management Review*, 33(1) 76-96.

Oxenbridge, S. & Brown, W. (2004). Achieving a new equilibrium? The stability of cooperative employer-union relationships. *Industrial Relations Journal, (35)*5, 388–402.

Peetz, D. (1992). Declining density. *Journal of Industrial Relations, (32)*2, 23-38.

Peetz, D. (2015). Submission to the Australian Productivity Commission Workplace Relations Framework public inquiry.

Peetz, D. (2016). The Productivity Commission and Industrial Relations Reform. *The Economic and Labour Relations Review, (27)*2, 164-180.

Perecman, E., & Curran, S.R. (eds) (2006). *A handbook for social science field research: essays & bibliographic sources on research design and methods*. Thousand Oaks, CA: Sage Publications.

Plowman, D. H. (1992). Industrial relations and the legacy of new protection. *Journal of Industrial Relations, (34)*1, 165-181.

Poole, M. (1986). Industrial Relations – Origins and Patterns of National Diversity. *Sociology, The Journal of the British Sociological Association, (20)*3, 485-486.

Poole, M., Lansbury, R., & Wailes, N. (2000). Industrial democracy revisited: A theoretical perspective, *Research on Work, Employment and Industrial Relations 2000: Proceedings of the 14th AIRAANZ Conference*, 2000.

Premeaux, S.F., & Bedeian, A.G. (2003). Breaking the silence: The moderating effects of self-monitoring in predicting speaking up in the workplace. *Journal of Management Studies, (40)*6, 1537–1562.

Productivity Commission (2000). *Review of Australia's General Tariff Arrangements*, Report No. 12. Australia, Canberra: AusInfo.

Productivity Commission (2001a). *Structural Adjustment — Key Policy Issues,* Commission Research Paper. Australia, Canberra: AusInfo.

Productivity Commission (2001b). *Trade & Assistance Review 2000-01*, Annual Report Series 2000-01. Australia, Canberra: AusInfo.

Productivity Commission (2002a). *Offshore Investment by Australian Firms: Survey Evidence*, Commission Research Paper. Australia, Canberra: AusInfo.

Productivity Commission (2002b). *Review of Automotive Assistance: Position Paper*. Australia, Canberra: AusInfo.

Productivity Commission (2002c). *Review of Automotive Assistance: Inquiry Report,* Report No. 35. Australia, Canberra: AusInfo.

Productivity Commission (2008). *Modelling the Economy-wide Effects of Future Automotive Assistance*, Research Report. Australia, Canberra: AusInfo.

Productivity Commission (2014). *Australia's Automotive Manufacturing Industry: Productivity Commission Inquiry Report*, Report No. 70. Australia, Canberra: AusInfo.

Purcell, J. & Geogiadis, K. (2007) 'Why should employers bother with worker voice?' in R. Freeman, P. Boxall and P. Haynes (eds) *What Workers Say: Employee Voice in the Anglo-American Workplace*. Ithaca, NY: ILR press, 181-197.

Pyman, A. (2004) Union Rights of Entry: The New Contested Terrain? Monash University, Faulty of Business and Economics, Department of Management Working Paper Series.

Pyman, A., Cooper, B., Teicher, J. & Holland, P. (2006). A comparison of the effectiveness of employee voice arrangements in Australia. *Industrial Relations Journal, (37)*5, 543–559.

Pyman, A., Holland, P., Teicher, J., & Cooper, C. (2010). Industrial Relations Climate, Employee Voice and Managerial Attitudes to Unions: An Australian Study. *British Journal of Industrial Relations, (48)*2, 460–480.

Quiggin, J. (1993). *The Industry Commission Approach to Public Sector Reform*. Sydney, NSW: Evatt Foundation.

Quiggin, J. (1996). *Great Expectations, Microeconomic Reform and Australia*. Sydney, NSW: Allen and Unwin.

Quiggin, J. (1988). Social Democracy And Market Reform In Australia And New Zealand. *Oxford Review of Economic Policy, (14)*1, 76-95.

RBA (Reserve Bank of Australia) (2013) *Exchange Rate Data*, Sydney, www.rba.gov.au/statistics/hist-exchange-rates/index.html.

Ramsay, H. (1983). Cycles of Control: Worker Participation in Sociological and Historical Perspective. *Sociology Journal, (11)*3, 481-506.

Renaud, S. (2002). Rethinking the union membership/job satisfaction relationship. *International Journal of Manpower, (23)*2, 137–150.

Richardson, D. (1997) Protection in the Motor Vehicle Industry, Parliament of Australia, Current Issues Brief 22, 1996-1997. http://www.aph.gov.au/sitecore/content/Home/About_Parliament/Parliamentary_Departments/Parliamentary_Library/Publications_Archive/CIB/CIB9697/97cib22 (accessed May 2015).

Rimmer, M. (1981) Long Run Structural Change in Australian Trade Unionism, *Journal of Industrial Relations, (23)*3, 323-43.

Rimmer, M. & Verevis, C. (1990) *Progress of Award Restructuring: Case Studies.* Australia, Sydney, University of New South Wales, Industrial Relations Research Centre.

Rimmer, M. & Zappala, G. (1988) Labour Market Flexibility and the Second Tier. *Australian Bulletin of Labour. (14)*4, 564-591.

Rousseau, D., Sitkin, S.B., Burt, R. & Camerer, C. (1998). A cross disciple view of trust. *Academy of Management Review, (23)*3, 393–404.

Searle, R., Den Hartog, D.N., Weibel, A., Gillespie, N., Six, F., Hatzakis, T. & Skinner, D. (2011). Trust in the employer: the role of high-involvement work practices and procedural justice in European organizations. *International Journal of Human Resource Management, (22)*5, 1069–1092.

Schedvin, C.B. (1987) The Australian Economy of the Hinge of History. *The Australian Economic Review. (20)*1, 20-30

Siggelkow, N. (2007). Persuasion with Case Studies. *Academy of Management Journal, (50)*1, 20–24.

Sloan, J. (1992). Until the end of time: labour market reform in Australia. *Australian Economic Review, (25)*4, 65-78.

Spector, P.E. (2006). Method variance in organizational research: truth or urban legend? *Organizational Research Methods, (9)*2, 221–232.

Spreitzer, G. & Mishra, A. (1999). Giving up control without losing control: trust and its substitutes' effects on managers involving employees in decision making. *Group and Organization Management, (24)*2, 155–187.

Strauss, G. (2006) Worker participation: some under considered issues. *Industrial Relations Journal, (45)*4, 778–803.

Storey, J. (1992). *Developments in the Management of Human Resource*. Oxford, England: Blackwell.

Storey, J. (2007). *Human Resource Management: A Critical Test (3rd ed)*. London, England: Thomson International.

Tailby, S., Richardson, M., Upchurch., M., Danford, A, & Stewart, P. (2007). Partnership with and without Trade Unions in the UK Financial Services: Filling or Fuelling the gap? *Industrial Relations Journal, (38)*3, 210-228.

Tangirala, S., & Ramanujam, R. (2008) Employee silence on critical work issues: The cross level effects of procedural justice climate. *Personal Psychology, (61)*1 37–68.

Terry, M. (1999). Systems of Collective Representation in Non-Union firms in the UK. *Industrial Relations Journal, (30)*1, 16-30.

Teicher, J. (1988). A Critical Examination of Industrial Democracy in the Public Sector: Current Myths and Future Directions. In Department of Employment and Industrial Relations, *Industrial Democracy and Employee Participation Seminar Proceedings*. 61–4. Canberra, ACT: Australian Government Publishing Service.

Teicher, J. (1992). Theories of Employee Participation and Industrial Democracy: Towards an Analytical Framework. In Dabsheck, B., Griffin, G., and Teicher, J. (eds) *Contemporary Australian Industrial Relations*, 476–94. Melbourne, VIC: Longman Cheshire.

Teicher, J., Holland, P., & Gough, R. (eds) (2006). *Employee Relations Management 2nd Edition.* Sydney, NSW: Pearson Education.

Tsang, E.W.K., (2014). Generalising from research Findings: The Merits of Case Studies. *International journal of Management Reviews, (16)*4, 369-383.

Tzafrir, S. (2005). The relationship between trust, HRM practices and firm performance. *International Journal of Human Resource Management, (16)*9, 1600–1622.

Tzafrir, S., Harel, G., Baruch, Y. & Dolan, S. (2004). The Consequences of Emerging HRM Practices for Employees' Trust in their Managers. *Personnel Review,* 33(4) 628-646.

VCEC (Victorian Competition and Efficiency Commission) (2011) *Victorian Manufacturing: Meeting the Challenges*, Final Report, Melbourne.

Victorian Government: https://economicdevelopment.vic.gov.au/victorias-automotive-transition-plan/transition-plan (2012).

Vaughan, E. (1986). Industrial democracy in Australia: Someday too far away. In Davis, E., & Lansbury, R. (Eds.), *Democracy and control in the workplace*. 30–52. Melbourne, VIC: Longman Cheshire.

Van Dyne, L., & LePine, J.A. (1998). Helping and voice extra-role behaviour: Evidence of construct and predictive validity. *Academy of Management Journal, (41)*1, 108–119.

Verity, F.E., & Hollis, G.M. (2008) Closure of an Automotive Plant: Transformation of Work-Based 'Community' *Policy Studies (29)*3, 331 – 341.

Waring, P., & Bray, M. (eds)(2006) *Evolving Employment Relations, Industry Studies from Australia.* Melbourne, VIC: McGraw-Hill.

Webster, E., & Loundes, J. (2002). *Factors Affecting the Industrial Relations Climate in Australian Enterprises.* Melbourne, VIC: Melbourne Institute of Applied Economic and Social Research, University of Melbourne.

Willis, R. (1986). Conference speech. In Blandy, R., & Niland, J. (eds.), *Alternatives to Arbitration*. London, England: Allen & Unwin.

Wood, S.J. & Fenton-O'Creevy, M.P. (2005). Direct Involvement, Representation and Employee Voice in UK Multinationals in Europe. *European Journal of Industrial Relations, (11)*1, 27-50.

Whitener, E., Brodt, S., Korsgaard, M. & Werner, J. (1998). Managers as initiators of trust: an exchange relationship framework for understanding managerial trustworthy behaviour. *Academy of Management Review, (23)*3, 513–530.

Whitener, E.M. (1997). The impact of human resource activities on employee trust. *Human Resource Management Review, (7)*4, 389–404.

Wilkinson, A., T., Dundon, T., Marchington, M. & Ackers, P. (2004). Changing Patterns of Employee Voice: Case Studies from the UK and Republic of Ireland. *Journal of Industrial Relations, (46)*3, 298-322.

Wilkinson, A.P., Gollan, M., Marchington, M., & Lewin, D. (2010). Conceptualising employee participation in organisations. in Wilkinson, A.P., Gollan, M., Marchington, M., and Lewin, D. (eds) *The Oxford Handbook of Participation in Organisations*, Oxford, England: Oxford University Press, pp 4-25.

Yin, R.K. (2009). *Case Study Research: Design and Methods 4th Edition*. Thousand Oaks, CA: Sage Publications.

Yin, R.K. (2012) *Applications of case study research*. Thousand Oaks, CA: Sage Publications

Zhou, J., & George, J.M. (2001). When Job Dissatisfaction Leads to Creativity: Encouraging the Expression of Voice. *The Academy of Management Journal, (44)*4, 682-696.

Appendices

Appendix 1 Enterprise Agreements Summary

Agreement	Consultative Committee	Union Meetings	Preference for Collective Bargaining	Employee Representation	OH&S Committee	Information Sharing	Dispute Resolution	Production Teams
CarCo 1998 – 2001	Site Committee (p.14)	Formal Recognition (19, p.12) Shop Stewards (p.15)	Yes (20, p. 13)	Via Union (20, p.13)	Yes (17, p.12)	Yes (p.14-15)	Yes (16, p.12). Grievance process in existing award (p.22)	Work Groups "Holden Production System" (p.18-19)
CarCo 2001 - 2004	"State Consultative Committee" (SCM) (p.17)	Formal Recognition (7.8, p.36) and membership on SCM (p.17)	Yes (7.8 p. 36)	Via Union, SCM, Plant and Site Committees (p.20)	Yes 6.14 (p.31)	SCM, Plant and Site Committees (p.20) Management Briefings to Committees and Senior Shop Stewards (p.20)	Review Board to Oversight SCM (p.18) Grievance Resolution process in existing award (p.18 & 6.6.3 p.24)	"Holden Production System"

CarCo 2004 - 2007	"State/Peak Committee" with monthly meetings (48, p.40)	Formal Recognition (46, p.38) and membership on Peak Committee (48, p.40)	Yes (47, p.38)	Union, TPM Committee, Diversity Council, Trades Steering Committee and Non-Trades Steering Committee (48, p.40).	Yes	Yes via management briefings and committees	Ranges broadly over disputes in the implementation of the agreement, skills training, job evaluation and Competence assessment as well as matters specific to casuals (1.0, p.5, 43.6 p.33 and 44, p.37)	"Holden Production System"
CarCo 2011	"State/Peak Committee" with monthly meetings (10.2.2.4, p.111)	Formal Recognition (Part 15, p.128) and membership on Peak Committee (10.2.2.4, p.111)	Yes (15.2, p.130)	Union (Part 15 p.128), TPM Committee, Diversity Council, Trades Steering Committee and Non-Trades Steering Committee (Part 10, p.110).	Yes (10.1, p.110)	Yes. SCM, Plant and Site Committees Management Briefings to Committees (10.2.2.1, p.110)	Ranges broadly over disputes in the implementation of the agreement, skills training, job evaluation and Competence assessment as well as matters specific to casuals (1.0, p.5, Part 3 p.19, Part 9 p.104 and Part 10, p.109)	"Holden Production System" "GM Global Manufacturing System" (9.4.2, p.107)

CarCo 2014	"State/Peak Committee" with monthly meetings (10.2.2.4, p.141)	Formal Recognition (Part 15.1.3 p.160) and membership on Peak Committee (10.2.2.4, p.141)	Yes (15.1, p.159)	Union (Part 15 p.159), TPM Committee, Diversity Council, Trades Steering Committee and Non-Trades Steering Committee (Part 10, p.140).	Yes (10.1, p.139)	Yes. SCM, Plant and Site Committees Management Briefings to Committees (10.2.2.1, p.140)	Ranges broadly over disputes in the implementation of the agreement, skills training, job evaluation and Competence assessment as well as matters specific to casuals (1.0, p.17, Part 3 p.28, Part 9 p.133 and Part 10, p.140)	Work Organisation, p.173. "Holden Production System" "GM Global Manufacturing System" (9.4.2, p.107)

Agreements (provided as Adobe PDF Files)

i. *1998 – 2001*
ii. *2001 – 2004*
iii. *2004 – 2007*
iv. *2011*
v. *2014*

Appendix 2 CarCo company documents (provided as Adobe PDF Files)

i. *Document 1 CarCo Fact Sheet 1998*
ii. *Document 2 CarCo Work Organisation Agreement 1998*
iii. *Document 3 CarCo Group Survey Cover*
iv. *Document 4 CarCo Training Evaluation Report 1998*
v. *Document 5 CarCo Training VIC Certificate III 1998*
vi. *Document 6 CarCo Business Report 2012*
vii. *Document 7 CarCo Company Profile 2014*
viii. *Document 8 CarCo Communications Post Closure Announcement*
ix. *Document 9 CarCo Communications: Konnective*
x. *Document 10 CarCo Communications Holden Transitions*
xi. *Document 11 CarCo Communications: Holden People*
xii. *Document 12 CarCo Heritage & History with Australia*
xiii. *Document 13 CarCo Parent Annual Report*
xiv. *Document 14 CarCo Parent Annual Report*
xv. *Document 15 CarCo Parent Annual Report*
xvi. *Document 16 CarCo Parent Annual Report*

Appendix 3 Button Plan/ Automotive Industry Authority Act 1984 (provided as Adobe PDF Files)

Appendix 4 Productivity Commission Report (provided as Adobe PDF Files)

Appendix 5 New Car Plan (provided as Adobe PDF Files)